

RECEIVED

March 25, 2013

2013 MAR 25 P 4:46

POSTAL REGULATORY
COMMISSION
OFFICE OF THE SECRETARY

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 quarterly Billing Determinants for Quarter 1 of Fiscal Year (FY) 2013 (39 C.F.R. § 3050.25(e)). I have also enclosed an updated version of the FY 2012 Market Dominant Billing Determinants. The enclosed materials thus consist of four parts:

1. Market Dominant Products Billing Determinants – FY 2012 Quarter 4 (This part is **Public**);
2. Competitive Products Billing Determinants – FY 2012 Quarter 4 (This part is **Non-Public**);
3. International Products Billing Determinants – FY 2012 Quarter 4;
 - a. International Market Dominant Products Billing Determinants -- FY 2012 Quarter 4 (This subpart is **Public**);
 - b. International Competitive Products and ICM Billing Determinants -- FY 2012 Quarter 4 (This subpart is **Non-Public**); and
4. FY 2012 Market Dominant Billing Determinants (This part is **Public**).

I have enclosed computer discs with machine-readable versions of each of these parts.

The FY2012 Market Dominant Billing Determinants have been updated to make

minor corrections to the Standard Mail, Periodicals, and Special Services billing determinants. In Standard Mail, the billing determinants were corrected such that simplified addressing pieces that were previously counted as ECR Flats are now counted as ECR Letters; this change impacted tabs P.C2-1, P.C2-3, P.C4-1, and P.C4-3. In Periodicals, corrections to the calculation of certain discounts led to minor changes, all of which are highlighted. In Special Services, minor corrections were made to Address Management Services; all of these corrections are highlighted.

As noted above, part 1 of the Billing Determinants for Quarter 1 (Market Dominant Products Billing Determinants) is public and may be posted on the Commission's website. Part 2 (Competitive Products Billing Determinants) is confidential and non-public and should not be posted on the Commission's website. The Postal Service has determined that the entire contents of this competitive products document should be withheld from public disclosure and that redaction of only parts would not be meaningful or practicable. Subpart 3a (International Market Dominant Products Billing Determinants) is public and may be posted on the Commission's website. Subpart 3b (International Competitive Products and ICM Billing Determinants), however, is confidential and non-public and should not be posted on the Commission's web site. The Postal Service has determined that the entire contents of subpart 3b (International Competitive Products and ICM Billing Determinants) should be withheld from public disclosure, and that redaction of only parts would not be meaningful or practicable. Part 4 (the updated FY2012 Market Dominant Billing Determinants) is public.

In my letter to the Commission of March 3, 2010, which transmitted the Billing Determinants for Quarter 1 of FY 2010, I enclosed, as Attachment 1, the Postal Service's "Application of the United States Postal Service for Non-Public Treatment of Materials." The Postal Service incorporates this application by reference here. References to Quarter 1 in the document should be read to refer to Quarter 1 of FY 2013. The application applies to all of the materials described above that the Postal Service has designated as non-public and for which it has requested confidentiality.

If you have any questions regarding this report or the discussion above, please call.

Sincerely,



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

Enclosures

cc: Ms. Taylor