

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

Notice of Market-Dominant  
Price Adjustment

Docket No. R2013-10

CHAIRMAN'S INFORMATION REQUEST NO. 10

(Issued November 5, 2013)

To clarify the Postal Service's planned market dominant price adjustments in its Notice of Market Dominant Price Adjustment, filed September 26, 2013, the Postal Service is requested to provide a written response to the following question. The answer should be provided no later than November 7, 2013.

1. The Postal Service proposes no change to the 9.0 cent discount for a nonprofit presort automation 5-digit flat, while reducing the discount for a commercial presort automation 5-digit flat from 9.3 cents to 9.2 cents. The Postal Service explains that if it increased the nonprofit discount to match the commercial discount, i.e., increased the current nonprofit discount from 9.0 cents to 9.2 cents, the passthrough would rise further above 100 percent (from 103.4 percent to 105.7 percent). Notice at 47, *See also* Attachment B to the Notice.
  - a. Please provide justification for not establishing equal discounts for commercial and nonprofit presort automation 5-digit flats, e.g., decreasing the current commercial discount from 9.3 cents to 9.0 cents.
  - b. Please confirm that if the commercial presort automation 5-digit flat discount was aligned with the nonprofit presort automation 5-digit flat discount (9.0 cents), it would result in an overall rate increase of 2.3 percent for commercial presort automation 5-digit flats, as opposed to the

proposed 1.7 percent increase for commercial presort automation 5-digit flats. If not confirmed, please explain and provide supporting workpapers.

- c. Please confirm that if the commercial presort automation 5-digit flat discount is reduced to be aligned with the nonprofit presort automation 5-digit flat discount (9.0 cents), that the percentage change in rates for Standard Mail will still fall below the CPI-U price cap of 1.696 percent. If not confirmed, please explain and provide supporting workpapers.

By the Chairman.

Ruth Y. Goldway