

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

Before Commissioners:

Robert G. Taub, Acting Chairman
Mark Acton, Vice Chairman;
Ruth Y. Goldway;
Tony Hammond; and
Nanci Langley

COMPETITIVE PRODUCT PRICES
INBOUND PARCEL POST (AT UPU RATES)

Docket No. CP2015-24

PUBLIC REPRESENTATIVE COMMENTS ON THE
NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING CHANGES IN
RATES NOT OF GENERAL APPLICABILITY
(December 23, 2015)

The Public Representative hereby provides comments pursuant to Order No. 2292.¹ In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on changes in rates not of general applicability, for Inbound Parcel Post (at UPU rates).²

The Postal Service filed both redacted and unredacted documents to include (1) an application for non-public treatment of materials filed under seal; (2) a copy of the Governors Decision No. 14-04;³ (3) a copy of the proposed rates; and (4) the Certification required under 39 CFR 3015.5(c)(2) and (5) documentation supporting the inflation-linked adjustment for inward land rates.⁴ In addition, the Postal Service filed (under seal) the workpapers for Inbound Parcel Post (at UPU rates). The Postal Service filed rates and supporting documentation in compliance with 39 C.F.R § 3015.5

¹ PRC Order No. 2292, Notice and Order Concerning Changes in Rates for Inbound Parcel Post (at UPU rates), December 17, 2014 (Order).

² UPU refers to the Universal Postal Union.

³ Decision of the Governors of the United States Postal Service on Changes in Rates and Classes for Inbound Parcel Post (at UPU rates) (Governors' Decision No. 14-04).

⁴ Notice of the United States Postal Service of Filing Changes in Rates not of General Applicability for Inbound Parcel Post (at UPU rates) and Application for Non-public Treatment, December 16, 2014 (Notice). Notice, Attachment 4.

and 39 U.S.C. § 3633(a)(2). The Postal Service intends to implement the proposed rates as of January 1, 2015. Notice at 2.

After reviewing all Postal Service documents filed in this docket, the Public Representative suggests that it appears that the Postal Service's proposed rates meet all necessary requirements.

COMMENTS

The Public Representative has reviewed the Postal Service's documentation filed both publically and under seal. Based upon that review, the Public Representative concludes that the total competitive rate changes, for Inbound Parcel Post, at UPU rates, appear to be sufficient such that the revenues cover costs and provide a sufficient contribution to institutional costs, thereby satisfying the requirements of 39 U.S.C. § 3633(a)(2) and is within the scope established by the Governors' Decision No. 14-04.

Requirements of 39 U.S.C. § 3633. Pursuant to 39 U.S.C. § 3633(a), the Postal Service's competitive prices must: (1) not result in the subsidization of competitive products by market dominant products; (2) ensure that each competitive product covers its attributable costs, and (3) that all competitive products collectively contribute an appropriate share to the institutional costs of the Postal Service. Based upon my review of the financial model filed under seal with the Postal Service's Notice, it appears that the rates, in total, for Inbound Parcel Post at UPU rates should generate sufficient revenues to cover costs and provide an appropriate share to the institutional costs of the Postal Service. Therefore, the Public Representative recommends that the proposed rates be accepted.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

/s/

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