

ORDER NO. 2395

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

Before Commissioners:

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

Notice of Market-Dominant
Price Adjustment

Docket No. R2015-4

ORDER DENYING MOTION FOR
CLARIFICATION OF ORDER NO. 2378

(Issued March 17, 2015)

Introduction. On March 6, 2015, the Commission issued an Order on Price Adjustments for Standard Mail, Periodicals, and Package Services Products in this proceeding.¹ On March 9, 2015, the Alliance of Nonprofit Mailers (ANM) filed a motion for clarification of that order.² For the following reasons, the Commission denies the Motion.

¹ Order on Price Adjustments for Standard Mail, Periodicals, and Package Services Products, March 6, 2015 (Order No. 2378).

² Motion of Alliance of Nonprofit Mailers for Clarification of Order No. 2378, March 9, 2015 (Motion).

Background. On January 15, 2015, the Postal Service filed notice of a market dominant price adjustment in accordance with 39 U.S.C. § 3622 and 39 C.F.R. part 3010.³ In Order No. 2378, the Commission remanded the proposed price adjustments for the Standard Mail, Periodicals, and Package Services classes. Order No. 2378 contained extensive discussion of the deficiencies for all three classes that the Postal Service must correct in its amended notice of rate adjustment. Order No. 2378 at 8-9, 11-15, 22-24, 27-33.

On March 9, 2015, ANM filed the Motion requesting that the Commission clarify whether Order No. 2378 made a finding that the Postal Service's initial proposed rates violated 39 U.S.C. § 3626(a)(6). Motion at 1-2. In its comments filed on February 19, 2015, ANM argued that the Postal Service violated 39 U.S.C. § 3626(a)(6) by proposing prices for nonprofit Standard Mail that would generate revenue per piece averaging 60.425 percent of the average revenue per piece of commercial Standard Mail.⁴ ANM acknowledges that Order No. 2378 "does not appear to address" these comments, but nonetheless requests that the Commission clarify whether the third ordering paragraph of Order No. 2378 should be read as a finding that the Postal Service's initial proposed rates violated 39 U.S.C. § 3626(a)(6). Motion at 1-2.

Analysis. The Commission denies the Motion because Order No. 2378 does not require clarification. The Commission remanded the proposed Standard Mail price adjustments on four grounds: (1) the Postal Service must equalize the nonprofit and commercial High Density Letters and High Density Flats presort discounts; (2) the Postal Service must equalize or provide a justification for the unequal nonprofit and commercial dropship discounts; (3) certain workshare discounts did not comply with 39 U.S.C. § 3622(e); and (4) the Postal Service must revise the Standard Mail billing determinants. Order No. 2378 at 8-9, 11-15. The Commission also explained that it intentionally did not address all comments filed in Order No. 2378. In its discussion of

³ United States Postal Service Notice of Market-Dominant Price Adjustment, January 15, 2015.

⁴ Comments of Alliance of Nonprofit Mailers, February 19, 2015, at 2-4.

why only some comments were addressed in Order No. 2378, the Commission explained that “[c]omments are addressed to the extent they relate to the Commission’s analysis in [Order No. 2378]. To the extent the comments will be more applicable to the Commission’s order on the amended notice of rate adjustment, the Commission expects to address those comments . . . in its subsequent order on Standard Mail, Periodicals, and Package Services.” Order No. 2378 at 4, n.8. The Commission finds its grounds for remanding the proposed Standard Mail price adjustments and its reasoning for addressing only specific comments in Order No. 2378 do not require clarification. As such, the Commission denies the Motion.

It is ordered:

The Motion of Alliance of Nonprofit Mailers for Clarification of Order No. 2378 is denied.

By the Commission.

Shoshana M. Grove
Secretary