

Before The
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

RATE ADJUSTMENT DUE TO EXTRAORDINARY
OR EXCEPTIONAL CIRCUMSTANCES

Docket No. R2013-11

**SECOND RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO ORDER NO. 2411, ON PLANS FOR FUTURE REPORTS**
(April 3, 2015)

In accordance with Order No. 2411, issued on March 24, 2015, the Postal Service hereby submits its “plan to ensure future submissions, including the quarterly reports required by Order No. 2075 and bi-weekly estimates required by Order No. 2319, are timely.”¹ The Order set today as the deadline for the filing of this plan.

The quarterly report filed on March 27, 2015, shows that, since the exigent surcharge was implemented, the Postal Service has collected \$1.985 billion in cumulative surcharge revenue.² Assuming Quarters 2, 3, and 4 surcharge revenue amounts are similar to what they were in FY2014, the revenue limit of \$3.238 billion would be reached during FY2015, Quarter 4.³

Therefore, the next report due for the Postal Service is the FY2015, Quarter 2 report, due May 15, 2015. The Postal Service has assigned and trained additional staff resources to complete the billing determinants and the surcharge report by, or very

¹ Docket No. R2013-11, Order No. 2411: Order on Surcharge Revenue Reporting, at 3 (March 24, 2015).

² Response of the United States Postal Service to Order No. 2411, Including Quarterly Exigent Surcharge Report for FY2015, Quarter 1, at 1 (March 27, 2015).

³ See Order No. 1926, at 184 (December 24, 2013). ExigSrchgRevCUMLTV(2-4Q15,1Q15).xlsx, filed March 27, 2015, shows surcharge revenue of approximately \$500 million for each quarter of FY2014. (The \$350 million collected during part of Quarter 2, FY2014 inflates to about \$500 million for the full quarter.) So it would take more than two quarters to collect the approximately \$1.253 billion not yet collected by the end of FY2015, Quarter 1.

close to, that deadline. Moreover, the Postal Service is confident that the report can be prepared more expeditiously because the deadline will not fall during the pendency of the Annual Compliance Review or annual rate change dockets.

After the FY2015 Quarter 2 report, the next report due would be a biweekly report submitted after the beginning of FY2015, Quarter 4. The Postal Service plans to file this report on July 15, 2015. This report will be limited to a projection based on historical data. Resources have been assigned to complete these biweekly reports in a timely basis. Subsequent biweekly reports will be filed every two weeks until such time as the \$3.238 billion surcharge limit is reached.

The FY2015, Quarter 3 report is due August 17, 2015 and the FY 2015, Quarter 4 report is due November 16, 2015. The Postal Service plans to assign its resources so that these reports can be filed on or close to the deadlines.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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