

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

Competitive Product Prices
Inbound Parcel Post (at UPU Rates)

Docket No. MC2017-58

Competitive Product Prices
Inbound Parcel Post (at UPU Rates)

Docket No. CP2017-86

CHAIRMAN'S INFORMATION REQUEST NO. 1

(Issued December 21, 2016)

The Postal Service recently filed a notice announcing its intention to change rates not of general applicability for Inbound Parcel Post (at Universal Postal Union (UPU) Rates) effective January 1, 2017.¹ The Postal Service also filed proposed changes to the Mail Classification Schedule (MCS). Notice, Attachment 9. To assist in the evaluation of the proposed price and mail classification change, the Postal Service is asked to provide written responses to the following questions. Responses should be provided no later than December 27, 2016.

1. Universal Postal Union (UPU) International Bureau Circular 168 indicates that the Postal Service must enter into a bilateral agreement with a foreign postal operator before the Postal Service may exchange ECOMPRO mailpieces with that operator. Notice, Attachment 3 at 1.

¹ Notice of the United States Postal Service of Filing Changes in Rates Not of General Applicability for Inbound Parcel Post (at UPU Rates), Change in Mail Classification Schedule, and Application for Non-Public Treatment, December 19, 2016, at 1-2 (Notice).

- a. Please confirm whether the Postal Service plans to use standardized language for the ECOMPRO bilateral agreements. If confirmed, please provide the standardized language.
 - b. Please provide any ECOMPRO bilateral agreements the Postal Service has entered into to date.
 - c. Please describe the Postal Service's timeline for the negotiating and entering into future ECOMPRO bilateral agreements and list the foreign postal operators with whom the Postal Service plans to seek ECOMPRO bilateral agreements.
 - d. Please provide updates to parts b and c if the responses change during the pendency of these dockets.
2. Please describe the planned termination process for an ECOMPRO bilateral agreement with a foreign postal operator.
3. Please discuss any requirements the Postal Service would have to meet before terminating the acceptance and delivery of ECOMPRO mailpieces within the UPU system.
4. The Postal Service did not file revenue and cost data for Inbound Parcel Post that incorporates the proposed ECOMPRO offering as required under 39 C.F.R. § 3015.3(c)(1).
 - a. Please confirm that the required data are necessary to find that the Inbound Parcel Post product (that includes the proposed ECOMPRO offering) satisfies the requirements of 39 U.S.C. § 3633.
 - b. If not confirmed, please explain.
 - c. If confirmed, please confirm that proposed Inbound Parcel Post prices for Inbound Air Parcel Post and Inbound Surface Parcel Post mailpieces can be approved independent from the proposed classification change.

5. Please refer to the language proposed by the Postal Service that modifies section 2310.6 of the MCS. Notice, Attachment 9. Please review the revised language below and confirm that it accurately describes the change proposed by the Postal Service.

2310.6 **Prices**

Foreign postal operators pay the Postal Service inward land rates for the delivery of inbound mail. The Universal Postal Union (UPU) Postal Operations Council (POC) sets the amount paid for incoming air parcel flows tendered by postal operators with which there is no contractual relationship governing the applicable price. The Postal Service, upon notification to the UPU, may enter into bilateral agreements with foreign postal operators to pay the Postal Service specified rates for the acceptance and delivery of e-commerce parcels, also known as "ECOMPRO" mailpieces. Payment by the foreign postal operators is made in accordance with Universal Postal Convention Part III, Chapter 2 and associated UPU Parcel Post Regulations. This information is available in the Parcel Post Manual at www.upu.int.

By the Chairman.

Robert G. Taub