



# Postal Regulatory Commission

Postal Regulatory Commission  
901 New York Avenue, NW  
Suite 200  
Washington, DC 20268-0001  
www.prc.gov

Phone: 202-789-6829  
Fax: 202-789-6891

Contact: Gail Adams  
gail.adams@prc.gov

## Press Release

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### **PRC Remands Proposed Price Adjustments to USPS** Standard Mail, Periodicals, and Package Services Products Affected

**Washington, DC** – Today the Postal Regulatory Commission returned proposed rate adjustments for Standard Mail, Periodicals, and Package Services classes to the Postal Service to allow for modifications that comply with applicable legal requirements. The rate increases are proposed to be implemented April 26, 2015.

The Postal Accountability and Enhancement Act of 2006 provides for ratemaking flexibility and allows the Postal Service to adjust rates for Market Dominant products as long as the increase for each class of mail meets certain statutory and regulatory requirements, the most prominent of which is that such increases are kept under the rate of inflation, as determined by the Consumer Price Index.

A Commission review of the Postal Service's proposal to adjust rates for Standard Mail, Periodicals, and Package Services found that:

- In Standard Mail, certain unequal commercial and nonprofit discounts, certain workshare discounts, and the Postal Service's methodology for calculating certain billing determinants do not comply with applicable legal requirements.
- The Commission was unable to make statutorily required findings to determine price cap compliance due to incorrect adjusted billing determinants relating to the Postal Service's new FSS prices for Periodicals bundles, sacks, and pallets.
- The Commission was unable to make statutorily required findings to determine price cap compliance for Package Services products due to incorrect adjusted billing determinants and incorrect price cap calculations.

The Commission's complete analysis of the Postal Service's price adjustments for these categories of mail can be found in Order No. [2378](#), under Docket No. [R2015-4](#).

*The Postal Regulatory Commission is an independent federal agency that provides regulatory oversight over the U.S. Postal Service to ensure the transparency and accountability of the Postal Service and foster a vital and efficient universal mail system. The Commission is comprised of five Presidentially-appointed and Senate-*

*confirmed Commissioners, each serving terms of six years. The Chairman is designated by the President. In addition to Acting Chairman Robert G. Taub, the other commissioners are Vice Chairman Tony Hammond and Commissioners Mark Acton, Ruth Y. Goldway and Nanci E. Langley.*