

Postal Regulatory Commission

Postal Regulatory Commission
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Press Release

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PRC to Review Postal Service Exigent Rate Adjustment

Washington, DC – The Postal Regulatory Commission today received proposed rate changes for market dominant products, averaging about 5.6 percent, filed by the Postal Service to take effect on January 2, 2011. This is the first time the Postal Service has claimed that extraordinary or exceptional circumstances justify an increase that exceeds the cost of living under the Postal Accountability and Enhancement Act of 2006 (PAEA). Under the PAEA price cap, the Postal Service currently has less than 1 percent room to raise market dominant prices.

“This ‘Exigency Case’ requires the Commission to act on critically important issues involving fundamental interpretations of the 2006 law under which the Postal Service and the PRC operate, and the financial health of the mailing industry. This is the first request for an emergency rate increase since that law was enacted, and developing a balanced record for decision will pose serious challenges. We hope to hear from as broad a cross section of the public as possible,” said Chairman Ruth Y. Goldway.

The Commission now will establish a docket to conduct a public hearing on the Postal Service’s proposal. The Commission’s decision – to approve, reject or modify the proposal – is due on October 4. The docket order will establish the public comment period, highlight issues to be considered in the proceeding, and name a representative to represent the interests of the public.

Public comments can be made through the “contact PRC” button on the Commission’s website, www.prc.gov, and by mail addressed to the Secretary of the Commission, Postal Regulatory Commission, 901 New York Avenue NW, Suite 200, Washington DC 20268-000.

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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 Chairman Goldway, the other Commissioners are Vice Chairman Tony Hammond, Dan Blair, Nanci Langley, and Mark Acton.