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POSTAL REGULATORY
COMMISSION

January 30, 2015

Hon. Shoshana M. Grove, Secretary
Postal Regulatory Commission
901 New York Avenue NW, Suite 200
Washington, D.C. 20268-0001

Dear Ms. Grove:

In connection with the Commission's rules pertaining to periodic reports, 39 C.F.R. § 3050 (2014), I have enclosed copies of the following:

USPS Annual Tables, FY 2014.TFP (Total Factor Productivity)

Please note that, this year, this annual report departs from previous versions in prior years. This year, we are providing two versions of the report. The version labeled "Public Version" does not contain information pertaining to competitive products that the Postal Service believes is commercially sensitive. The version labeled "Non-Public Version" includes the information withheld from the public version. In addition, we have revised one table in both versions.

The following describes the changes from the reports in prior years:

1. Tables 35-b, 38, 40, 41-a, 41-b, 41-c, 43-c, and 43-d do not report apportioned costs, or apportioned costs per piece, for some mail categories, because those mail groups are made up, either in part or entirely, of competitive products, whose costs are not reported in public versions of the Cost and Revenue Analysis (CRA).
2. In both the public and non-public versions of the tables, we have also revised Table 42-b. In Table 42-b, instead of presenting data for a variety of market dominant and competitive mail categories listed separately, we have included an index of "other mail" that is an aggregate of all mail except First-Class, Standard, Periodicals, and Package Services. The

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Postal Service believes that this change highlights the importance of this group in weighted mail volumes, without revealing commercially sensitive data.

The Postal Service believes that the information relating to competitive categories of mail that has been withheld from the public version of this report is commercially sensitive and should not be disclosed publicly, under good business practices. The Postal Service submits that this material is exempt from public disclosure under the Freedom of Information Act (FOIA), pursuant to 5 U.S.C. § 552(b)(3) and 39 U.S.C. § 410(c)(2). Accordingly, the Postal Service requests that the Commission not disclose publicly the restricted version of the report. 39 U.S.C. § 504(g). The public version may be publicly disclosed.

If you have any questions or concerns about the Postal Service's position on disclosure of any information provided today or subsequently, please contact me. As in the past, the Postal Service expects that any FOIA or other request for the records and information provided at this time will entail consultation between the Postal Service and the Commission, before any records are made publicly available. This approach accords with Department of Justice guidance and with our understanding of the Commission's current policy regarding such requests.

I have also enclosed hard copies and computer disks containing both versions of this report.

Sincerely,

A handwritten signature in cursive script that reads "Daniel J. Foucheaux, Jr." with a small flourish at the end.

Daniel J. Foucheaux, Jr.
Chief Counsel, Pricing and Product
Support

Enclosure

cc: Ms. Taylor