

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Michael Kubayanda, Chairman;
Thomas G. Day, Vice Chairman;
Ann C. Fisher;
Ashley E. Poling; and
Robert G. Taub

Market-Dominant Price Change

Docket No. R2024-1

ORDER ON PRICE ADJUSTMENTS FOR FIRST-CLASS MAIL, USPS MARKETING
MAIL, PERIODICALS, PACKAGE SERVICES, AND SPECIAL SERVICES PRODUCTS
AND RELATED MAIL CLASSIFICATION CHANGES



Washington, DC 20268-0001
November 22, 2023

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Attachment—Mail Classification Schedule

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AND RELATED MAIL CLASSIFICATION CHANGES

(Issued November 22, 2023)

I. INTRODUCTION AND OVERVIEW

On October 6, 2023, the Postal Service filed notice of its planned price adjustments and related mail classification changes for Market Dominant products.¹ The planned price adjustments described in the Notice are filed and reviewed pursuant to the regulations of 39 C.F.R. part 3030, which were finalized in Order No. 5763.² The

¹ United States Postal Service Notice of Market-Dominant Price Change, October 6, 2023 (Notice).

² See Docket No. RM2017-3, Order Adopting Final Rules for the System of Regulating Rates and Classes for Market Dominant Products, November 30, 2020 (Order No. 5763).

Commission applies the requirements of 39 C.F.R. part 3030, Commission directives and orders, and 39 U.S.C. §§ 3626, 3627, and 3629 to determine whether the Postal Service's proposals are consistent with applicable law. 39 C.F.R. § 3030.126(b).

The Commission concludes that the planned price adjustments are consistent with the regulations of 39 C.F.R. part 3030 and applicable Commission directives and orders. The planned price adjustments are also consistent with the pricing requirements appearing in 39 U.S.C. § 3626 and do not implicate the pricing requirements appearing in 39 U.S.C. §§ 3627 and 3629. The Commission also concludes that the planned classification changes, with the revisions described in the body of this Order, are consistent with applicable law. All changes to the Mail Classification Schedule (MCS) appear in the Attachment following the signature line of this Order.

While the Commission notes as it has in prior price adjustment proceedings that its review in this proceeding is limited to ensuring the proposed prices comply with the requirements of applicable law as defined in 39 C.F.R. § 3030.126(b), and that the structure of these types of proceedings do not allow the expansive and detailed review requested by many of the commenters, it does recognize stakeholders' concerns about a wide variety of issues related to the recent Market Dominant rate changes and the potential effects of the regulations adopted in Docket No. RM2017-3. In recognition of these concerns, the Commission believes further consideration of them is appropriate and intends to open a future Commission proceeding as outlined below.

Table I-1 shows the percentage increases and total unused price authority available after this proceeding for each class as calculated by the Commission.

Table I-1
Percentage Increases and Total Unused Price Authority (By Class)

Class of Mail	Price Changes %	Total Unused Price Authority %
First-Class Mail	1.969	0.001
USPS Marketing Mail	1.961	0.001
Periodicals	1.959	0.000
Package Services	1.960	0.001
Special Services	2.168	0.001
Source: Library References PRC-LR-R2024-1-1 through PRC-LR-R2024-1-5, November 22, 2023.		

In Sections II. and III. of this Order, the Commission summarizes the relevant background and procedural history. In Section IV., the Commission addresses comments that raise general issues or apply to multiple classes. In Sections V. through IX., the Commission discusses the planned price adjustments and related price adjustment authority for First-Class Mail, USPS Marketing Mail, Periodicals, Package Services, and Special Services, respectively. Non-compensatory products, workshare discounts, mail classification changes, statutory preferential rates, nonprofit discounts, and class-specific comments are also discussed where applicable to a particular class.

II. BACKGROUND

On October 6, 2023, the Postal Service filed a notice of a Market Dominant price change pursuant to 39 C.F.R. part 3030. See *generally* Notice. The regulations in 39 C.F.R. part 3030 have several key features applicable to this proceeding.

First, the regulations provide for multiple forms of rate authority. 39 C.F.R. § 3030.127(a). In general, the maximum rate adjustment authority available to the Postal Service for each Market Dominant class is made up of the rate authority available under 39 C.F.R. part 3030, subpart C (Consumer Price Index Rate Authority); 39 C.F.R. part 3030, subpart D (Density Rate Authority); 39 C.F.R. part 3030, subpart E (Retirement Obligation Rate Authority); 39 C.F.R. part 3030, subpart G (Non-compensatory Classes or Products); and 39 C.F.R. part 3030, subpart H (Accumulation of Unused and Disbursement of Banked Rate Adjustment Authority). *Id.*

However, the rate adjustment authority available under 39 C.F.R. part 3030, subpart D (Density Rate Authority); 39 C.F.R. part 3030, subpart E (Retirement Obligation Rate Authority); and 39 C.F.R. part 3030, subpart G (Non-compensatory Classes or Products) is available to the Postal Service only once annually and must be included in the calculation of the maximum rate adjustment authority in the first generally applicable rate adjustment after the authority becomes available. *Id.* §§ 3030.160(c), .181(c), .222(b). That rate authority became available to the Postal Service on April 3, 2023 and was included in the calculation of the maximum rate adjustment authority in the first generally applicable rate adjustment thereafter, which was approved on May 31, 2023.³ Thus, for purposes of this proceeding, the maximum rate adjustment authority available to the Postal Service for each Market Dominant class is made up of the rate authority available under 39 C.F.R. part 3030, subpart C (Consumer Price Index Rate Authority) and 39 C.F.R. part 3030, subpart H (Accumulation of Unused and Disbursement of Banked Rate Adjustment Authority).

Pursuant to 39 C.F.R. part 3030, subpart C, the amount of Consumer Price Index Rate Authority available to the Postal Service for each class of mail in this proceeding is

³ See Docket No. ACR2022, Determination of Available Market Dominant Rate Authority, April 3, 2023 (Order No. 6472); Docket No. R2023-2, Order on Price Adjustments for First-Class Mail, USPS Marketing Mail, Periodicals, Package Services, and Special Services Products and Related Mail Classification Changes, May 31, 2023, at 4-5 (Order No. 6526).

1.959 percent. Notice at 3. The amount of banked rate authority available pursuant to 39 C.F.R. part 3030, subpart H varies by class, ranging from 0.000 percent for Periodicals to 0.210 percent for Special Services. *Id.*; Order No. 6526 at 3. Added together, these two forms of rate authority make up the total available rate adjustment authority available to the Postal Service for each class of mail in this proceeding, as shown in Table II-1.

**Table II-1
Total Available Rate Adjustment Authority (By Class)**

Class	CPI-U (%)*	Density (%)	Retirement (%)	Non-Compensatory (%)	Banked (%)	Total (%)
First-Class Mail	1.959	0.000	0.000	0.000	0.011	1.970
USPS Marketing Mail	1.959	0.000	0.000	0.000	0.003	1.962
Periodicals	1.959	0.000	0.000	0.000	0.000	1.959
Package Services	1.959	0.000	0.000	0.000	0.002	1.961
Special Services	1.959	0.000	0.000	0.000	0.210	2.169

* Pursuant to 39 C.F.R. § 3030.143, the calculation for a Partial Year Limitation = (Recent Average/Previous Recent Average)-1. In the Notice, Attachment C, column "12-Month Total Divided by 12," the value for August 2023 is 301.374 (Recent Average) and the value for February 2023 is 295.584 (Previous Recent Average). Thus, the Partial Year Limitation = (301.374/295.584)-1 = 1.959 percent. Notice, Attachment C, Excel file "R2024-1 Attachment C.xlsx."

Source: Library References PRC-LR-R2024-1-1 through PRC-LR-R2024-1-5.

Second, the regulations have requirements specific to non-compensatory products, which are products where the attributable cost for that product exceeds the revenue from that product. Whether a product is non-compensatory is determined by the Commission. 39 C.F.R. § 3030.220. The regulations provide that rates may not be reduced for any non-compensatory product. *Id.* § 3030.127(b). In addition, if a non-compensatory product is part of a class of mail that is compensatory overall, the rates for each non-compensatory product must increase by a minimum of 2 percentage points above the percentage increase for that class. *Id.* § 3030.221. However, this requirement "does not apply to a non-compensatory product for which the Commission

has determined that the Postal Service lacks independent authority to set rates (such as rates set by treaty obligation).” *Id.*

Third, 39 C.F.R. part 3030, subpart J contains the requirements for workshare discounts. If a workshare discount is equal to the cost avoided by the Postal Service,⁴ the size of the discount cannot be changed. 39 C.F.R. § 3030.282(a). If a workshare discount exceeds the cost avoided by the Postal Service, then the size of the discount cannot be increased. *Id.* § 3030.282(b). Likewise, if a workshare discount is less than the cost avoided by the Postal Service, then the size of the discount cannot be decreased. *Id.* § 3030.282(c).

In addition, the regulations provide specific limitations on how workshare discounts that do not equal the cost avoided can be set. Workshare discounts that exceed the cost avoided by the Postal Service are permissible only if: (1) the proposed workshare discount is associated with a new postal service, a change to an existing postal service, or a new workshare initiative; (2) the proposed workshare discount is a minimum of 20 percent less than the existing workshare discount; (3) the proposed workshare discount has received an advance waiver from the Commission pursuant to 39 C.F.R. § 3030.286; or (4) the proposed workshare discount is provided in connection with a subclass of mail, consisting exclusively of mail matter of educational, cultural, scientific, or informational value and is in compliance with 39 C.F.R. § 3030.285(c). *Id.* § 3030.283. Workshare discounts that are less than the cost avoided by the Postal Service are permissible only if: (1) the proposed workshare discount is associated with a new postal service, a change to an existing postal service, or a new workshare initiative; (2) the proposed workshare discount is a minimum of 20 percent more than

⁴ The cost avoided refers to the cost avoided by the Postal Service for not providing the applicable service that the worksharing mailer is providing in lieu of the Postal Service. For the purposes of this proceeding, the cost avoided by the Postal Service refers to the amount identified in the FY 2022 *Annual Compliance Determination (ACD)*. *Id.* § 3030.280. See Docket No. ACR2022, *Annual Compliance Determination*, March 29, 2023 (FY 2022 ACD).

the existing workshare discount; (3) the proposed workshare discount has received an advance waiver from the Commission pursuant to 39 C.F.R. § 3030.286; or (4) the percentage passthrough⁵ for the proposed workshare discount is at least 85 percent. *Id.* § 3030.284.

III. PROCEDURAL HISTORY

A. Notice and Initial Commission Action

On October 6, 2023, the Postal Service filed its Notice with the Commission pursuant to 39 C.F.R. part 3030. In its Notice, the Postal Service announced its intention to adjust the prices for Market Dominant products on January 21, 2024, at 12:01 a.m. by amounts that it represents are within the available price adjustment authority for each class of mail. Notice at 1, 3-5.

The Notice includes three attachments, which present the planned price and description changes to the MCS, workshare discount calculations, and calculation of the Consumer Price Index Rate Authority, respectively. *Id.* Attachments A-C. The Postal Service also filed six public library references in support of its Notice:

- Library Reference USPS-LR-R2024-1-1, October 6, 2023 First-Class Mail Workpapers
- Library Reference USPS-LR-R2024-1-2, October 6, 2023 USPS Marketing Mail Workpapers
- Library Reference USPS-LR-R2024-1-3, October 6, 2023 Periodicals Workpapers
- Library Reference USPS-LR-R2024-1-4, October 6, 2023 Package Services Workpapers

⁵ The relationship between workshare discounts and avoided costs is usually expressed as a percentage called a passthrough, which is generally calculated by dividing the discount by the cost avoided. Workshare discounts with passthroughs below 100 percent are considered below-avoided-cost workshare discounts.

- Library Reference USPS-LR-R2024-1-5, October 6, 2023 Special Services Workpapers
- Library Reference USPS-LR-R2024-1-6, October 6, 2023 Banked Rate Adjustment Authority Workpapers⁶

The Postal Service also filed an explanatory preface and two Excel files pertaining to Outbound Single-Piece First-Class Mail International (Outbound Single-Piece FCMI) and Inbound Letter Post and requested non-public treatment of these files.⁷

On October 10, 2023, the Commission issued Order No. 6730, which provided public notification of the Notice; established Docket No. R2024-1 to consider the planned price adjustments' consistency with applicable statutory and regulatory requirements; appointed a Public Representative; and provided an opportunity for interested persons to comment.⁸

B. Additional Information Regarding the Notice

Three Chairman's Information Requests (CHIRs) were issued during this proceeding that requested additional information relating to the planned price adjustments and classification changes.⁹ CHIR No. 1 requested additional information concerning specific Periodicals volumes in the workpapers and the calculation of a Package Services workshare discount and additional clarification of various aspects of the Special Services workpapers and proposed MCS. CHIR No. 1, questions 1-7.

⁶ United States Postal Service Notice of Filing Workpapers / Library References, October 6, 2023.

⁷ USPS Notice of Filing First-Class Mail International and Inbound Letter Post Workpapers, as well as Application for Non-Public Treatment of Materials Filed Under Seal, October 6, 2023, at 1, Attachment 1.

⁸ Notice and Order on Price Adjustments and Classification Changes for Market Dominant Products, October 10, 2023 (Order No. 6730).

⁹ Chairman's Information Request No. 1, October 17, 2023, questions 1-7 (CHIR No. 1); Chairman's Information Request No. 2 and Notice of Filing Under Seal, October 20, 2023, question 1 (CHIR No. 2); Chairman's Information Request No. 3, October 26, 2023, question 1 (CHIR No. 3).

CHIR No. 2 requested additional information under seal relating to the non-public workpapers for Inbound Letter Post, a First-Class Mail product. CHIR No. 2, question] 1. CHIR No. 3 requested clarification of the price structure for USPS Marketing Mail Nonprofit Machinable Parcels and USPS Marketing Mail Nonprofit Irregular Parcels. CHIR No. 3, question 1.

In the Response to CHIR No. 1, the Postal Service provided the requested additional information and clarification for Periodicals, Package Services, and Special Services and provided revised workpapers for Periodicals and Special Services.¹⁰ In the Response to CHIR No. 2, the Postal Service provided additional information on Inbound Letter Post and revised workpapers.¹¹ In the Response to CHIR No. 3, the Postal Service withdrew a proposed change to the heading for Nonprofit Machinable Parcels Prices in MCS § 1230.6.¹²

C. Comments

The Commission received comments on the planned price adjustments from the following participants: the Alliance of Nonprofit Mailers (ANM), the Greeting Card Association (GCA), Jane King, Joseph D. Leckenby, Ellen Montgomery, the National Postal Policy Council (NPPC), the News/Media Alliance (N/MA), Pitney Bowes Inc. (Pitney Bowes), the Association for Postal Commerce (PostCom), the Public

¹⁰ Responses of the United States Postal Service to Chairman's Information Request No. 1, October 24, 2023, questions 1-7 and Excel files "USPS-CAPCAL-PER-R2024-1 CHIR1.xlsx" and "R2024-1 Special Services CapCalc CHIR1.xlsx" (Response to CHIR No. 1).

¹¹ Response of the United States Postal Service to Chairman's Information Request No. 2, with Portions Filed Under Seal, October 27, 2023, question 1 and Excel file "(NP) Inbound CAPCALC-R2024-1_REVISSED.xlsx" (Response to CHIR No. 2).

¹² Response of the United States Postal Service to Chairman's Information Request No. 3, November 2, 2023, question 1 (Response to CHIR No. 3).

Representative, Eric Rothschild Rosenbaum, and Vincent H. Stitzel.¹³ This Order summarizes and analyzes these comments where relevant to the issues presented.

IV. RESOLUTION OF CROSS-CLASS ISSUES

This section resolves general issues raised in comments that apply across multiple classes. For example, it includes comments that object to the Postal Service's planned price adjustments overall or the underlying regulations more generally, rather than targeting comments toward a specific class, product, or rate cell.¹⁴ To the extent comments raise specific issues or topics covered elsewhere in this Order, those comments are addressed where relevant to the issues presented.

A. Impacts of Recent Market Dominant Rate Changes

Comments. NPPC states the proposed price increases are “unnecessary” and “will merely accelerate the exodus of mail from the system and will prove counterproductive to the long-term health of the Postal Service.” NPPC Comments at 1.

¹³ Comments of Alliance of Nonprofit Mailers, November 6, 2023 (ANM Comments); Comments of the Greeting Card Association, November 6, 2023 (GCA Comments); Comment on Proposed Postal Rate Increase, October 17, 2023 (King Comments); Comments of Mr. Joseph Leckenby, November 6, 2023 (Leckenby Comments); Comment of Ellen Montgomery, October 25, 2023 (Montgomery Comments); Comments of the National Postal Policy Council, November 6, 2023 (NPPC Comments); Comments of the News/Media Alliance, November 6, 2023 (N/MA Comments); Comments of Pitney Bowes Inc., November 6, 2023 (Pitney Bowes Comments); Comments of the Association for Postal Commerce, November 6, 2023 (PostCom Comments); Public Representative Comments, November 6, 2023 (PR Comments); Comment on Proposed Rate Hike, October 17, 2023 (Rosenbaum Comments); Comment of Vincent Stitzel re: Proposed USPS rate increases, October 13, 2023 (Stitzel Comments).

¹⁴ Each of the Market Dominant classes consists of multiple products. The term product “means a postal service with a distinct cost or market characteristic for which a rate or rates are, or may reasonably be, applied.” 39 U.S.C. § 102(6). Within each product, there may be multiple rate cells, which refer to each price. Where helpful, this Order also refers to categories, which refer to groups of rate cells, either within a single product or multiple products. By way of example, Periodicals (class) consists of two products (In-County and Outside County). The Outside County product has more than a hundred rate cells that provide prices based on numerous criteria such as per pound rates versus per piece rates, presortation level and barcoding, usage of a container (pallet versus sack/tray) versus bundle, induction point, advertising content, and statutory preferences accorded to certain publications such as nonprofit or classroom. See Library Reference PRC-LR-R2024-1-3, Excel file “PRC-CAPCALC-PER-R2024-1.xlsx.”

NPPC notes that the compounded price increases over the last 30 months have ranged from 24.619 percent to 39.075 percent for First-Class Mail Single-Piece Letters/Postcards, Presorted Letters/Postcards, and Flats. *Id.* at 2. NPPC states that it may no longer be true that raising rates will result in increased revenue despite volume loss and suggests that Commission “may well want to inquire into whether the Postal Service’s volume forecasting models . . . are becoming increasingly less accurate.” *Id.* at 3. NPPC notes that “the stark decrease in First-Class Mail volumes over the recent months . . . has occurred despite continued growth in the U.S. economy.” *Id.* at 3-4.

NPPC observes that the proposed price increases are “the second in six months and the fifth in 30 months” and states that twice-a-year price increases “create a lack of trust in the Postal Service, undermine its reputation as a vendor, and create the impression that the Postal Service is trying to extract the maximum amount of revenue from mailers.” *Id.* at 1. NPPC asserts that twice-a-year price increases lead to decreased volumes by “creat[ing] the impression that the Postal Service is an unreliable vendor who cannot be counted upon to maintain its prices for even a year or worse, that rate instability can be expected to persist.” *Id.* at 2-3. NPPC states that rate instability caused by the frequency of rate increases “constitutes a failure of the current regulatory system to achieve the statutory objective of predictable and stable postage rates.” *Id.* at 3. NPPC states that commercial mailers’ budgets are set well in advance and are generally not increased mid-year. *Id.* As a result, NPPC claims that price increases “(1) force mail managers to spend money on adjusting mail preparation systems and software . . . rather than on postage, which means less mail; and (2) simply invite closer attention to postal costs . . . which typically results in additional pressure to reduce costs by migrating away from mail.” *Id.* NPPC also argues that frequent price changes can make mailers less willing to invest in mailing technology, which also leads to lower volumes. *Id.* NPPC suggests that the Commission “consider how to discourage the Postal Service from filing multiple rate increases in a given year.” *Id.* at 4.

PostCom questions whether the proposed price increases are “prudent” given that the Postal Service has one quarter of data since the last increase and has been “experiencing unprecedented losses in Market Dominant mail volumes.” PostCom Comments at 1. PostCom notes that the frequency and magnitude of price increases are “being carried out without any apparent effort to understand the impact that such changes are having on mail volume.” *Id.* at 4. PostCom further states that before the effects of recent increases are measured, the rates are proposed to be changed again, and that the Postal Service’s recent financial losses demonstrate that “implementing unprecedented change in the complete absence of empirical data is an inherently risky behavior.” *Id.* PostCom claims that these risks “are borne solely by the mailers” because the Postal Service receives rate authority for volume losses through Density Rate Authority. *Id.*

PostCom asserts that the proposed prices “do not reflect any reasoning beyond a desire to maximize postal revenues at the expense of captive ratepayers who bear the misfortune of suffering under the most unfair system of postal regulations in the world.” *Id.* at 1. PostCom states that although the proposed price increases are within the available pricing authority for each class, “[t]hat compliance does not mean, however, that the prices further the objectives of 39 U.S.C. § 3622([b]).” *Id.* PostCom further states that “[t]he price increases are undermining the objective of predictability and stability in rates, and the volume losses they are inducing are preventing the rates from generating adequate revenue to ensure the Postal Service’s financial stability.” *Id.* PostCom notes that it has petitioned the Commission to reexamine the regulations put in place by Docket No. RM2017-3. *Id.* at 4. PostCom asserts that “[w]ith every month that passes, the Postal Service’s financial performance provides further evidence that reckless use of rate authority alone will not ensure financial stability for the Postal Service, and why reconsideration is necessary and should be taken up immediately by the Commission.” *Id.*

ANM states that the nonprofit mailers of First-Class Mail, USPS Marketing Mail, and Periodicals that it represents “are getting crushed beneath the weight of twice-yearly large price increases.” ANM Comments at 1. ANM argues that the Commission should “embrace its role as regulator” and “do more than simply check the Postal Service’s math and technical conformance with the rules before rubber-stamping proposed rate adjustments.” *Id.* at 2. In suggesting the Commission undertake an expansive review in this proceeding, ANM asserts that the Commission’s role is to ensure the rates meet the requirements of 39 U.S.C. § 3622, including the objectives in 39 U.S.C. § 3622(b) of “predictability, stability, and a just and reasonable rate schedule.” *Id.* ANM notes that in the five rate adjustment proceedings that have occurred since the Docket No. RM2017-3 rules went into effect, the Postal Service has used nearly all of its available rate adjustment authority, which the Postal Service has justified as consistent with its *Delivering for America* plan. *Id.* ANM asserts that the Commission should evaluate whether the price increases are helping the Postal Service achieve financial stability as intended because it believes they have not. *Id.* ANM further asserts that “the Commission must evaluate whether the Postal Service’s pricing decisions under the current system are consistent with the [Commission’s] findings underlying the creation of the system in the first place.” *Id.* at 2-3. Although ANM concedes that this proceeding cannot adjust the rules adopted in Docket No. RM2017-3, ANM states that the Commission should not wait until its planned 5-year review to reconsider the rules and should assess in this proceeding “whether the Postal Service’s pricing decisions are exacerbating volume declines, whether the Postal Service has been increasing rates too sharply, and whether the Postal Service is exercising business judgement.” *Id.* at 3.

ANM also asserts that the Commission should assess “whether the Postal Service has adhered to its *Delivering for America* pricing strategy to utilize ‘judicious

and prudent strategies to optimize revenues.”¹⁵ ANM expresses concern that the magnitude of the cumulative price increases between January 2021 and January 2024 for First-Class Mail, USPS Marketing Mail, and Periodicals will be 29.7 percent, 29.3 percent, and 36.6 percent, respectively, and that compounded product-level price increases are even more significant across these mail classes. *Id.* at 3-5. Although ANM concedes the magnitude of the price increases in this proceeding are “relatively modest compared with recent increases[,]” ANM voices concern about the magnitude of the price increases expected in July 2024. *Id.* at 6-7. ANM asserts that the magnitude of price increases is hurting volumes and revenues and notes that Market Dominant mail volumes are below plan for FY 2023 and have substantially declined compared to the same period last year and that volume losses are accelerating. *Id.* at 5. ANM further asserts that “[t]he strategy of driving market-dominant volume out of the mail in order to focus on package delivery is not achieving financial stability” as “Competitive product volume is still not filling the void caused by extreme market-dominant volume losses.” *Id.* at 5-6. ANM states that the Postal Service is losing billions of dollars in revenue, has had billions of dollars in losses in FY 2023, and operating revenues for FY 2023 are below plan and the same period last year. *Id.* at 6. ANM observes that the Delivering for America plan projected positive net income in FY 2023 or FY 2024 and argues that the Commission should “perform its due diligence . . . before authorizing more rate increases.” *Id.* ANM contends that “[s]uch diligence will reveal that the plan is not working, and that further price hikes will simply widen and deepen the financial hole that the Postal Service has been digging.” *Id.*

ANM also asserts that “the Commission should formally limit the Postal Service to once-yearly rate adjustments” by revising its rules to permit only one Market

¹⁵ *Id.* (citing United States Postal Service, Delivering for America: Our Vision and Ten-Year Plan to Achieve Financial Sustainability and Service Excellence, March 23, 2021, at 38, available at https://about.usps.com/what/strategic-plans/delivering-for-america/assets/USPS_Delivering-For-America.pdf).

Dominant price adjustment per year. *Id.* at 7. ANM asserts that the regulations adopted in Docket No. RM2017-3 “were designed with one annual price increase in mind” and that there is a “disconnect between the Commission’s rules and the Postal Service’s recent practice of imposing twice-yearly price increases on captive mailers.” *Id.*

N/MA expresses concern about the magnitude of price increases for Periodicals and observes that the Postal Service is once again using the maximum rate authority for the Periodicals class, which will result in compounded increases of 35 percent for Periodicals since August 2021. N/MA Comments at 1. N/MA states that these increases “continue to punish the publishing industry and harm[] the public’s interest in news and information while doing little to improve the Postal Service’s overall financial condition.” *Id.* at 2. N/MA observes that price increases and poor service have resulted in substantial volume declines. *Id.* N/MA notes that service performance “has remained well below published standards for years” and states that although the Postal Service met its service performance target in FY 2022, the target was “extremely low” and reflected reduced service standards. *Id.* at 3-4. N/MA points out that more recent service for Periodicals has been below target and with much of Periodicals volume not measured, the “true service performance picture is unknown.” *Id.* at 4. N/MA asserts that the loss of Periodicals volumes “has adverse effects on the Postal Service more broadly” because Periodicals enhance the value of the mail. *Id.* N/MA concludes that the Periodicals class would become more compensatory if Periodicals were priced to discourage volume loss. *Id.* at 5. N/MA urges the Commission to find ways to moderate recent price increases and prevent more price increases in the future. *Id.* at 6.

Several citizen commenters also express concerns about the magnitude of recent price increases and declines in service. Jane King disapproves of the proposed price increases, stating that they will make customers seek alternatives to or avoid using the Postal Service and that “[t]he better strategy would be to provide better

service with lower prices.” King Comments at 1. Ellen Montgomery requests that the proposed price increases be rejected, stating that regularly approving rate increases gives the Postal Service no incentive for improved service performance and that service performance for customers has “declined drastically.” Montgomery Comments at 1. She provides examples of service issues she has experienced recently and suggests that price increases should not be approved until there is “a performance improvement plan with measurable goals and metrics.”¹⁶ Vincent H. Stitzel states that “[o]ver the past 50 years the price of just a stamp has increased over 700%.” Stitzel Comments at 1. He asserts that the affordability of a stamp has decreased and that many individuals can no longer afford the costs. *Id.* He also states that the Postal Service is “non-functional” and “totally inefficient” in its service and delivery and that the Postal Service should be “run like a business and be efficient” rather than be bailed out by citizens. *Id.* Joseph D. Leckenby states that he is concerned by the proposed price adjustments, which he states “seem to be slapdash, patchwork efforts in order to fix management problems within the [Postal Service].” Leckenby Comments at 1. He is concerned by the magnitude and frequency of recent price adjustments and is particularly concerned with the price increases effects on senior citizens who are on fixed incomes and may be discouraged from using the Postal Service, thereby increasing their loneliness. *Id.* He asks that alternatives to price increases be considered “to keep the [P]ostal [S]ervice operating.” *Id.* Eric Rothschild Rosenbaum states that in lieu of another price increase, the Commission could start to close the gap between revenues and expenses “by starting to charge for mailing containers [that] up until now [are] provided free of charge for Priority Mail and Express Mail” and that other commercial mailing services charge for. Rosenbaum Comments at 1.

In response to these comments from citizen commenters, the Public Representative states that he “appreciates these concerns and understands the

¹⁶ Montgomery Comments at 1, Excel file “Post Office Failures-September 2023 copy.xlsx.”

difficulty that price increases pose for mailers,” but notes that “the Commission’s role in this proceeding is limited to evaluating whether the proposed changes comply with applicable statutes and regulations[,]” which he concludes they do. PR Comments at 5-6.

Commission analysis. In Docket No. RM2017-3, the Commission reviewed the initial ratemaking system put in place by the Postal Accountability and Enhancement Act (PAEA) to determine if the system was achieving the objectives of 39 U.S.C. § 3622(b), taking into account the factors of 39 U.S.C. § 3622(c).¹⁷ The Commission found that the system had failed to achieve the objectives, taking into account the factors and thus found that modifications to the initial ratemaking system were necessary to achieve the PAEA’s statutory objectives.¹⁸ In this proceeding, the commenters raise a substantial number of concerns related to the effects of these modifications and the regulations underlying the Market Dominant ratemaking system, including the magnitude of recent and future price increases, the frequency of rate adjustment proceedings, the Postal Service’s service performance, whether the objectives of 39 U.S.C. § 3622(b) are being achieved, and the effects that recent rate adjustments have had on mailers, Market Dominant mail volumes, the Postal Service’s overall finances and financial stability, the Postal Service’s ability to collect adequate data, and the Postal Service’s business reputation.

As a preliminary matter, the Commission notes that these concerns are outside the scope of this proceeding. The Commission’s review in this proceeding is limited to ensuring the proposed prices comply with the requirements of 39 C.F.R. part 3030,

¹⁷ 39 U.S.C. § 3622(d)(3). See Postal Accountability and Enhancement Act, Pub. L. 109-435, 120 Stat. 3198 (2006).

¹⁸ See generally 39 U.S.C. § 3622(d)(3); Docket No. RM2017-3, Order on the Findings and Determination of the 39 U.S.C. § 3622 Review, December 1, 2017 (Order No. 4257); Order No. 5763 at 279-365. See also *Nat’l Postal Pol’y Council v. Postal Regul. Comm’n*, 17 F.4th 1184, 1195 (D.C. Cir. 2021), *cert. denied*, No. 21-1124 (U.S. June 27, 2022).

Commission directives and orders, and 39 U.S.C. §§ 3626, 3627, and 3629, which the proposed price adjustments do, and no commenter alleges otherwise.¹⁹ Thus, the Commission has no statutory or regulatory basis to reject or delay the proposed price adjustments or undertake the expansive reviews called for by commenters in this proceeding. In addition, the Commission notes that in this proceeding, it issues a final order within 21 days after comments are filed and that it cannot reasonably conduct the breadth of review the commenters request within the regulatory timeframe for this proceeding. See 39 C.F.R. § 3030.126(b).

Nonetheless, the Commission acknowledges the range of concerns raised by commenters about the recent Market Dominant rate changes and the potential effects of the regulations adopted in Docket No. RM2017-3. At this juncture, the Commission believes further consideration of these issues is warranted. As a result, the Commission intends in the near term to initiate an appropriate proceeding pursuant to 39 U.S.C. § 3622(d)(3) to explore such issues.

B. Pricing Incentives

Comments. NPPC states that it is “pleased that the promotions for calendar year 2024, which were approved previously remain unchanged” and that the volume discount for First-Class Mail proposed in Docket No. R2023-3 was approved. NPPC Comments at 2, 4. NPPC encourages the Postal Service “to continue to explore innovative ways to incentivize mail, and to consider making the more successful promotions permanent classifications.” *Id.* at 2.

¹⁹ 39 C.F.R. § 3030.126(b). With respect to Eric Rothschild Rosenbaum’s suggestion that the Commission could start to close the gap between revenues and costs by charging for Competitive product mailing containers, the Commission notes that it is within the Postal Service’s discretion, and not within the Commission’s purview, to make determinations such as whether mailing containers must be purchased. The Commission also notes that such a decision is outside the scope of this proceeding as the referenced containers are for Competitive products, and this proceeding solely focuses on proposed price adjustments for Market Dominant products.

Pitney Bowes supports the Postal Service maintaining its Full-Service Intelligent Mail barcode (IMb) and Seamless Acceptance pricing incentives, which it asserts “benefit mailers and the Postal Service by incentivizing efficiency and security in the postal network.” Pitney Bowes Comments at 3.

Commission analysis. The Commission notes that the pricing incentives highlighted by NPPC and Pitney Bowes were previously approved and remain unchanged in this proceeding. The Commission finds that they remain consistent with applicable law. 39 C.F.R. § 3030.126(b). The Commission encourages the Postal Service to continue to engage in dialogue with its stakeholders regarding the maintenance of current incentives, the potential to develop additional incentives in the future, and the desirability of changing promotions into permanent classifications as NPPC suggests. See NPPC Comments at 2.

V. FIRST-CLASS MAIL

A. Introduction

This section discusses the price adjustment authority and workshare discounts applicable to First-Class Mail. This section also discusses comments related to First-Class Mail not addressed elsewhere in this Order. The proposed changes to the MCS for First-Class Mail reflect the prices proposed in this proceeding, and thus the Commission does not include a separate discussion of MCS changes related to First-Class Mail. The changes to the MCS needed to reflect the planned new prices are shown in the Attachment to this Order.

B. Price Adjustment Authority

1. Introduction

Five products are assigned to First-Class Mail: (1) Single-Piece Letters/Postcards; (2) Presorted Letters/Postcards; (3) Flats; (4) Outbound Single-Piece

FCMI; and (5) Inbound Letter Post. The planned price increase for First-Class Mail is, on average, 1.969 percent, which results in 0.001 percent remaining unused price adjustment authority.²⁰ Table V-1 shows the percentage price change for each First-Class Mail product as calculated by the Commission.

**Table V-1
First-Class Mail Price Changes (by Product)**

First-Class Mail Product	Price Change %
Single-Piece Letters/Postcards	2.477
Presorted Letters/Postcards	1.760
Flats	1.440
Outbound Single-Piece FCMI	2.773
Inbound Letter Post	5.794
Overall	1.969
Source: Library Reference PRC-LR-R2024-1-1, Excel file "PRC_CAPCALC-FCM-R2024-1.xlsx."	

2. The Postal Service's Position

The Postal Service asserts that it complied with the applicable price cap requirements. See Notice at 3-5. The Postal Service proposes to make two adjustments to the hybrid year billing determinants for First-Class Mail. *Id.* at 9. First, the Postal Service adjusts Nonautomation Presort DVD volumes to account for revised pricing structures. *Id.* Specifically, the Postal Service distributes Nonautomation

²⁰ As shown in Table II-1, *supra*, the Postal Service has 1.970 percent in available pricing authority. Subtracting the 1.969 percent that the Postal Service is using in this proceeding from its available pricing authority results in 0.001 percent remaining as unused price adjustment authority. See Library Reference PRC-LR-R2024-1-1, Excel file "PRC_CAPCALC-FCM-R2024-1.xlsx."

Machinable DVDs between Mixed automated area distribution center (AADC) and AADC. *Id.* Second, the Postal Service converts Picture Permit's revenue to volumes by dividing it by the Picture Permit current price.²¹

3. Comments

No commenter disputes that the proposed price adjustments comply with the price cap. The Public Representative asserts that the planned price adjustments comply with the requirements of the price cap and conform to the requirements of title 39 of the United States Code and 39 C.F.R. part 3030. PR Comments at 4, 8. PostCom and GCA also agree the proposed prices comply with the price cap and do not exceed available pricing authority. PostCom Comments at 1; GCA Comments at 1.

4. Commission Analysis

The Commission finds that the Postal Service's price adjustments for First-Class Mail comply with the price cap limitations specified by 39 C.F.R. part 3030. The Postal Service's planned price adjustment of 1.969 percent is less than the total available authority of 1.970 percent; therefore, the total unused price adjustment authority available for First-Class Mail after this proceeding is 0.001 percent. The Commission accepts the Postal Service's adjustments to the billing determinants for First-Class Mail as reasonable.

²¹ *Id.*; Library Reference USPS-LR-R2024-1-1, file "USPS-LR-R2024-1-1 Preface FCM.pdf" and Excel file "CAPCALC-FCM-R2024-1.xlsx," tab "Automation Letters."

C. Workshare Discounts

1. Introduction

As described in Section II., *supra*, the rules in 39 C.F.R. part 3030, subpart J govern the pricing requirements for workshare discounts.

2. The Postal Service's Position

The Postal Service asserts that all First-Class Mail workshare discounts comply with 39 C.F.R. part 3030, subpart J. Notice at 9. The Postal Service states that 13 of 16 First-Class Mail passthroughs are equal to 100 percent. *Id.* The Postal Service asserts that the remaining three First-Class Mail workshare discounts have passthroughs between 85 and 100 percent. *Id.*

3. Comments

The Public Representative states that the proposed workshare discounts comply with 39 C.F.R. part 3030, subpart J. PR Comments at 11. GCA raises concerns with using the Metered Letter rate as a benchmark for Presort Letters workshare discounts. GCA Comments at 4. GCA states that the Commission is “rightly concerned that Presort rates reflect the true cost of Presort Letters.” *Id.* GCA asserts that to the extent that the Postal Service exercises its pricing flexibility to establish the Metered Letter rate, “that flexibility is also being applied, mechanically, to Presort rates.” *Id.* at 6. GCA contends that the Postal Service’s reasons for changing the Metered Letter differential (*i.e.*, the difference between the price of a Metered and Stamped Single-Piece Letter) “do not necessarily – or even probably” relate to Presort rates. *Id.* GCA also points to data to show that the Metered Letter differential has “varied over a range of 900%, from a half cent to five cents” in recent years. *Id.* at 5. GCA acknowledges that it has raised this issue before and that it is unlikely that the Commission will address this issue in a price adjustment case. *Id.* at 4, 6. GCA states that the Postal Service is “pursuing an

intelligible goal” by seeking to encourage small and medium-sized businesses to use metered payment and retain volume from these mailers by increasing the Metered Letter differential. *Id.* at 6. It maintains, however, that if Presort rates are to bear an accurate relationship to actual cost, then the Metered Letter benchmark should accurately reflect the actual cost of Metered Letters. *Id.*

NPPC commends the Postal Service for “recognizing the importance” of the Metered Letter rate by “increasing the amount of the incentive.” NPPC Comments at 5. Additionally, NPPC acknowledges that First-Class Mail Presort Letters workshare discounts have improved over the last few years as a result of the Commission’s regulations. *Id.* at 4. NPPC also recognizes that the Postal Service increased the First-Class Mail 5-Digit Automation Letter passthrough to 95.24 percent from 92.86 percent. *Id.* at 4. NPPC describes this as “the single most important rate category in First-Class Mail, measured by volume and revenue,” and encourages the Postal Service to set the rate at 100 percent in the next price adjustment case. *Id.* at 4-5. NPPC expresses disappointment that the Postal Service did not propose improving passthroughs for Nonautomation Machinable Letters and encourages the Postal Service to do so in the next price adjustment case. *Id.* at 5.

Pitney Bowes states that the workshare discount rules are “helping to improve pricing and operational efficiency.” Pitney Bowes Comments at 1. Pitney Bowes states that all First-Class Mail passthroughs now comply with the Commission’s regulations, and that the proposed rate design for First-Class Mail Presort Letters has significantly improved over time. *Id.* Pitney Bowes contends that the Postal Service’s proposal to increase the 5-Digit Automation Letters discount from 3.9 cents to 4.0 cents, which increases the passthrough from 92.9 percent to 95.2 percent, is particularly important because this price category “comprise[s] a significant portion of overall First-Class Mail volume and revenue.” *Id.* at 1-2 (quoting Notice at 7). Pitney Bowes urges the

Commission to encourage the Postal Service to set the 5-Digit Automation Letter discount so that it is fully efficient. *Id.* at 2.

Pitney Bowes also commends the Postal Service for increasing the price differential between First-Class Mail Single-Piece Stamped Letters and Single-Piece Metered Letters from 3 cents to 4 cents. *Id.* Pitney Bowes asserts that this “creates a meaningful price differential” that recognizes Metered Letters “as a more secure and efficient postage payment channel.” *Id.* Additionally, Pitney Bowes notes that the price differential creates incentives for small and medium-sized businesses to use Metered Letters. *Id.* Finally, Pitney Bowes also contends that because the Metered Mail price serves as a benchmark for First-Class Mail Presort Letters, it also benefits commercial mailers. *Id.*

4. Commission Analysis

In accordance with 39 C.F.R. § 3030.282, if a workshare discount is currently equal to the cost avoided by the Postal Service, the size of the discount cannot be changed; if a workshare discount currently exceeds the cost avoided by the Postal Service, then the size of the discount cannot be increased; and if a workshare discount currently is less than the cost avoided by the Postal Service, then the size of the discount cannot be decreased. 39 C.F.R. § 3030.282. The Commission has verified that all First-Class Mail workshare discounts proposed in this proceeding comply with 39 C.F.R. § 3030.282.

The regulations also provide specific limitations on how workshare discounts that do not equal avoided costs can be set. The Postal Service states that of the 16 First-Class Mail workshare discounts, 13 are set equal to avoided costs and three are set below avoided costs. Notice at 9. The Postal Service asserts that the three workshare discounts set below avoided costs have passthroughs between 85 and 100 percent. *Id.* In accordance with 39 C.F.R. 3030.284, “[n]o proposal to adjust a rate may

set a workshare discount that would be below the cost avoided by the Postal Service for not providing the applicable service” unless one of several exceptions applies.

39 C.F.R. § 3030.284(a). One of the exceptions permits workshare discounts where “[t]he percentage passthrough for the proposed workshare discount is at least 85 percent.” *Id.* § 3030.284(e). The Commission has confirmed that the three First-Class Mail workshare discounts set below avoided costs have passthroughs of at least 85 percent and are therefore permitted under the exception in 39 C.F.R. § 3030.284(e).

With respect to GCA’s comments on the Metered Mail price as a benchmark for Presort Letters workshare discounts, the Commission notes that its role in price adjustment proceedings with regard to workshare discounts is to determine whether the planned workshare discounts are consistent with applicable law. This means compliance with 39 C.F.R. part 3030, subpart J as currently in effect and applicable Commission directives. See 39 C.F.R. § 3030.126(b). GCA’s arguments do not raise any issues of compliance with applicable law. See GCA Comments at 4-6. As GCA acknowledges, the determination as to whether Metered Mail is the appropriate benchmark for Presort Letters workshare discounts is outside the scope of a price adjustment proceeding. See GCA Comments at 6. That determination would instead require a change to analytical principles subject to 39 C.F.R. § 3050.11. Any interested person may file a petition with the Commission to initiate a proceeding to consider such changes. 39 C.F.R. § 3050.11(a).

With respect to the comments related to the proposed increase in the differential between Single-Piece Stamped Letters and Single-Piece Metered Letters, as the Commission has previously found, such a pricing determination is within the Postal

Service's discretion and pricing flexibility.²² Finally, although GCA presents the Metered Mail differential as volatile, the Commission notes that the differential has been relatively consistent over the past eight rate cases, ranging from 3 cents to 5 cents. See GCA Comments at 5.

The First-Class Mail workshare discounts comply with the requirements of 39 C.F.R. part 3030, subpart J. As a result, the Commission approves the First-Class Mail workshare discounts proposed in this proceeding. The Commission encourages the Postal Service to continue to use its pricing flexibility to incentivize desired mailer behavior and to work with mailers and consider their concerns as it plans future price adjustments. Regarding the First-Class Mail 5-Digit Automation Letters and Nonautomation Machinable Letters discounts, the Commission supports the movement of these discounts closer to avoided costs. Further, the Commission encourages the Postal Service to consider commenter concerns and the importance of these discounts to its customers when the Postal Service exercises its pricing flexibility in setting these discounts in the future.

D. Other Comments Related to First-Class Mail

1. Introduction

GCA raises concerns related to First-Class Mail that have not been addressed elsewhere in this section. GCA Comments at 1-4.

²² Docket No. R2022-1, Order on Price Adjustments for First-Class Mail, USPS Marketing Mail, Periodicals, Package Services, and Special Services Products and Related Mail Classification Changes, May 27, 2022, at 62 (Order No. 6188); Docket No. R2023-1, Order on Price Adjustments for First-Class Mail, USPS Marketing Mail, Periodicals, Package Services, and Special Services Products and Related Mail Classification Changes, November 28, 2022, at 49-50 (Order No. 6341). See GCA Comments at 4-6; Pitney Bowes Comments at 2; NPPC Comments at 5. For a description of the Postal Service's pricing flexibility at the product, price category, and rate cell levels, see Section VII.F.3., *infra*.

2. Comments

GCA raises concerns about the increase in the non-machinable surcharge for Single-Piece Letters. GCA Comments 1. GCA notes that it has previously objected to “the upward course of this rate element,” and acknowledges that the Commission “is unlikely to pursue” this issue in a price adjustment case. *Id.* at 1, 6. GCA contends, however, that the non-machinable surcharge “may more than double in a few years.” *Id.* at 1. GCA states that, in the FY 2022 ACD, the Commission determined that “(i) the *entire* cost of a non-machinable letter, and not just the surcharge separately, should be considered in evaluating rates, and (ii) that the surcharge . . . was justified . . . by the additional cost of handling a non-machinable letter.” *Id.* at 2. GCA questions whether the “surcharge is justified by cost.” *Id.* GCA asserts that the Commission’s FY 2022 ACD findings relied on Non-machinable Metered Letter rates, which it argues “tell us nothing about the cost profile of a non-machinable *Stamped* letter.” *Id.* at 3. GCA contends that “there is no compelling reason to believe” that the Commission’s findings are “representative of non-machinable Single-Piece Letters as a whole.” *Id.*

Additionally, GCA argues that if the surcharge is to represent “however loosely” a cost difference, “there is no reason for it to be increased ten percent in a year’s time.” *Id.* GCA presents data that shows that between FY 2021 and FY 2022, the processing cost difference between machinable and non-machinable letters declined by 14.3 percent, and the delivery cost difference between machinable and non-machinable letters declined by 5 percent. *Id.* GCA contends that “[s]ubstantial changes like these suggest that a pattern in which the non-machinable surcharge is more than doubled in a relatively few years is inconsistent with the proposition that the surcharge rests significantly on a cost difference.” *Id.* at 3-4. GCA reiterates that the surcharge primarily affects personal correspondence but acknowledges that “most personal correspondence is machinable” and that the surcharge only affects a small number of mailpieces. *Id.* at 4.

3. Commission Analysis

With respect to GCA's comments concerning the non-machinable surcharge for Single-Piece Letters, the Commission reiterates that its review in this proceeding is limited to reviewing the planned price adjustments for consistency with applicable law. GCA Comments at 1-4; 39 C.F.R. § 3030.126(b). GCA does not allege any issues of non-compliance with applicable law, and thus its arguments are outside the scope of what the Commission reviews in price adjustment proceedings. *See id.* The Commission notes that the Postal Service raised the non-machinable surcharge to \$0.40 in Docket No. R2023-1 but did not increase the surcharge in the last price adjustment case, Docket No. R2023-2.²³ Because the proposed price adjustments for First-Class Mail are consistent with applicable law, the Postal Service's decision to increase the non-machinable surcharge to \$0.44 in this price adjustment case is a matter within its discretion and pricing flexibility.²⁴ Although GCA contends that the cost differences between machinable and non-machinable letters have been decreasing and implies that should have some bearing on the price, the Commission notes that Market Dominant prices must be set to comply with the price cap, and with the exception of workshare discounts (which are not at issue here), are not set in relation to their costs. Under the price cap, Market Dominant rates generally increase, so it is not surprising that rates (including the surcharge) have generally increased as the Postal Service has used its available rate adjustment authority, regardless of what has occurred with costs. Nonetheless, the Commission also notes that the non-machinable surcharge of 44 cents is less than the 44.65 cent cost difference between machinable and non-machinable Letters. *See* Notice at 7; FY 2022 ACD at 68. Finally, the Commission

²³ *See* Docket No. R2023-2, Library Reference PRC-LR-R2023-2-1, May 31, 2023, Excel file, "PRC_CAPCALC-FCM-R2023-2.xlsx," tab "Single-Piece Letters," cells I15, I16, L15, and L16; Docket No. R2023-1, Library Reference PRC-LR-R2023-1-1, November 28, 2022, Excel file, "PRC_CAPCALC-FCM-R2023-1.xlsx," tab "Single-Piece Letters," cells L15 and L16.

²⁴ For a description of the Postal Service's pricing flexibility at the product, price category, and rate cell levels, *see* Section VII.F.3., *infra*.

declines to reopen its FY 2022 ACD analysis and findings, as reconsideration of the FY 2022 ACD is not within the scope of this expedited review of the Postal Service's proposed rate adjustments.

VI. USPS MARKETING MAIL

A. Introduction

This section discusses the price adjustment authority, non-compensatory products, workshare discounts, statutory preferential rates, and nonprofit discounts applicable to USPS Marketing Mail. This section also discusses comments related to USPS Marketing Mail not addressed elsewhere in this Order. The proposed changes to the MCS for the USPS Marketing Mail class reflect the prices proposed in this proceeding, and thus the Commission does not include a separate discussion of MCS changes related to the USPS Marketing Mail class.²⁵ The changes to the MCS needed to reflect the planned new prices are shown in the Attachment to this Order.

²⁵ In the Notice, the Postal Service identifies several errors in the version of the MCS posted on the Commission's website as of the date of the filing of the Notice related to USPS Marketing Mail. Notice at 22-23. The Public Representative states that the proposed corrections are consistent with applicable statutory and regulatory requirements. PR Comments at 19. First, the Postal Service states that the price for the Full-Service Intelligent Mail Option should be corrected to \$0.003 from \$0.110 for High Density and Saturation Letters. Notice at 22; *id.* Attachment A at 15. The Postal Service also includes a change in the price for Plus One from \$0.105 to \$0.110 in the Attachment to the Notice. *Id.* Attachment A at 15. The Commission has confirmed that the change in price for the Full-Service Intelligent Mail Option to \$0.110 and the lack of change to the Plus One price were both in error. In Docket No. R2023-2, the Plus One price changed from \$0.105 to \$0.110, and the Full-Service Intelligent Mail Option remained unchanged at \$0.003. See Order No. 6526, Attachment at 18. The Commission inadvertently changed the wrong prices when updating to the current version of the MCS on the Commission's website. Because these prices were already approved by the Commission in Docket No. R2023-2, the Commission will make these changes to the MCS in its next update and does not include these changes in the Attachment to this Order. Additionally, the Postal Service identifies that the per-piece price for Forwarding-and-Return Service for High Density and Saturation Flats/Parcels was not updated from \$6.38 to \$7.66 after Docket No. R2023-2. Notice at 22. The Commission approved this price change in Docket No. R2023-2. See Order No. 6526, Attachment at 27. In this proceeding, the Postal Service proposes that the price for Forwarding-and-Return Service for High Density and Saturation Flats/Parcels be increased to \$8.19. Notice at 22; *id.* Attachment A at 20. The Attachment to this Order reflects that this price is increasing from \$7.66 to \$8.19 as a result of the price changes approved in this Order.

B. Price Adjustment Authority

1. Introduction

The USPS Marketing Mail class consists of seven products: (1) Letters; (2) Flats; (3) Parcels; (4) High Density and Saturation Letters; (5) High Density and Saturation Flats/Parcels; (6) Carrier Route; and (7) Every Door Direct Mail (EDDM)—Retail. The planned price increase for USPS Marketing Mail is, on average, 1.961 percent, which results in 0.001 percent remaining unused price adjustment authority.²⁶ Table VI-1 shows the percentage price change for each USPS Marketing Mail product as calculated by the Commission.

Further, the Postal Service also identifies that the Move Update Noncompliance Charge was not removed from USPS Marketing Mail Letters and USPS Marketing Mail Parcels. Notice at 22-23; *id.* Attachment A at 25, 35. The Commission approved removal of the Move Update Noncompliance Charge in Docket No. R2023-2. Order No. 6526 at 82; *id.* Attachment at 35, 51. The Commission will make these changes to the MCS in its next update and does not include these changes in the Attachment to this Order because they have already been approved by the Commission in Docket No. R2023-2. Finally, during this proceeding, the Postal Service withdrew a proposed change to the heading for Nonprofit Machinable Parcels Prices in MCS § 1230.6, and confirmed it should remain “Nonprofit Machinable Parcels Prices (3.5 ounces or more).” Notice at 22-23; Response to CHIR No. 3, question 1. Accordingly, that change does not appear in the Attachment to this Order.

²⁶ As shown in Table II-1, *supra*, the Postal Service has 1.962 percent in available pricing authority. Subtracting the 1.961 percent that the Postal Service is using in this proceeding from its available pricing authority results in 0.001 percent remaining as unused price adjustment authority. See Library Reference PRC-LR-R2024-1-2, Excel file “PRC-CAPCALC-MM-R2024-1.xlsx.”

Table VI-1
USPS Marketing Mail Price Changes (By Product)

USPS Marketing Mail Product	Price Change %
Letters	1.333
Flats	3.966
Parcels	20.029
High Density and Saturation Letters	1.073
High Density and Saturation Flats/Parcels	2.144
Carrier Route	3.963
EDDM—Retail	2.525
Overall	1.961
Source: Library Reference PRC-LR-R2024-1-2, Excel file "PRC-CAPCALC-MM-R2024-1.xlsx."	

2. The Postal Service's Position

The Postal Service asserts that it complied with the applicable price cap requirements. See Notice at 3-5. The Postal Service proposes to make four adjustments to the hybrid year billing determinants for USPS Marketing Mail. *Id.* at 12. First, the Postal Service states that it used actual data based on billing determinants for three quarters of the hybrid year for High Density Plus, EDDM, and Saturation flats volumes on Delivery Sort (*i.e.*, 5-Digit and 5-Digit Scheme) containers. *Id.* For FY 2022, Quarter 4, the Postal Service estimates these volumes using the percentage numbers derived from the Marketing Mail Characteristics Study filed in Docket No. ACR2022 to account for the new workshare discounts approved in Docket No. R2022-

1.²⁷ Second, the Postal Service estimates the qualifying area distribution center (ADC), 3-Digit, 5-Digit, Carrier Route, High Density, High Density Plus, EDDM, and Saturation flats volumes on sectional center facility (SCF) pallets using the percentage numbers derived from the Marketing Mail Characteristics Study filed in Docket No. ACR2022 to account for the new workshare discounts approved in Docket No. R2023-1 and Docket No. R2023-2.²⁸ Third, the Postal Service estimates the AADC, qualifying ADC, 3-Digit, 5-Digit, Carrier Route, High Density, High Density Plus, EDDM, and Saturation letters volumes on SCF pallets using the percentage numbers derived from the Marketing Mail Characteristics Study filed in Docket No. ACR2022 to account for the new workshare discounts approved in Docket No. R2023-2.²⁹ Fourth, the Postal Service adjusts the billing determinants for Saturation and EDDM flats and Saturation letters volumes to account for the volumes that it estimates will be eligible for the new Marriage Mail incentive approved in Docket No. R2023-2. Notice at 12-13; Order No. 6526 at 80.

3. Comments

No commenter disputes that the proposed price adjustments comply with the price cap. The Public Representative asserts that the planned price adjustments comply with the requirements of the price cap and conform to the requirements of title 39 of the United States Code and 39 C.F.R. part 3030. PR Comments at 4, 8. PostCom also states the proposed prices comply with the price cap and do not exceed available pricing authority. PostCom Comments at 1.

²⁷ *Id.*; see Order No. 6188 at 73-75.

²⁸ Notice at 12; see Order No. 6341 at 62-64; see *also* Order No. 6526 at 72-73, 80 (approving extension of the workshare discounts approved in Docket No. R2023-1 for flat-shaped mailpieces on SCF pallets to qualifying ADC Automation and Nonautomation Flats on SCF pallets).

²⁹ Notice at 12; see Order No. 6526 at 61 n.50, 79-80.

4. Commission Analysis

The Commission finds that the Postal Service's price adjustments for USPS Marketing Mail comply with the price cap limitations specified by 39 C.F.R. part 3030. The Postal Service's planned price adjustment of 1.961 percent is less than the total available authority of 1.962 percent; therefore, the total unused price adjustment authority available for USPS Marketing Mail is 0.001 percent after this proceeding. The Commission accepts the Postal Service's adjustments to the billing determinants for USPS Marketing Mail as reasonable.

C. Non-Compensatory Products

1. Introduction

In FY 2022, three USPS Marketing Mail products did not cover their attributable costs. FY 2022 ACD at 36. These products were USPS Marketing Mail Flats, Parcels, and Carrier Route, which had cost coverages of 66.7 percent, 87.5 percent, and 99.4 percent, respectively. *Id.* at 36-37. In the FY 2022 ACD, the Commission reminded the Postal Service that it must increase prices for each of these products by at least 2 percentage points above the class average in future rate adjustments consistent with 39 C.F.R. § 3030.221. *Id.* at 48, 52-53, 56.

2. The Postal Service's Position

The Postal Service acknowledges that the Commission found that USPS Marketing Mail Flats, Parcels, and Carrier Route did not cover their costs in FY 2022 and that it is required by 39 C.F.R. § 3030.221 to raise rates for these products by at least 2 percentage points above the class average. Notice at 10. The Postal Service states that it is raising prices for these products by 3.966, 20.029, and 3.963 percent, respectively. *Id.*

3. Comments

The Public Representative states that the proposed price increases for the USPS Marketing Mail Flats, Parcels, and Carrier Route products comply with 39 C.F.R. § 3030.221. PR Comments at 17-18. No other commenters raise issues pertaining to USPS Marketing Mail Flats', Parcels', or Carrier Route's status as non-compensatory products.

4. Commission Analysis

As described in Section II., *supra*, there are two regulatory requirements specific to non-compensatory products in compensatory classes: (1) rates may not be reduced for non-compensatory products; and (2) rates for each non-compensatory product must increase by a minimum of 2 percentage points above the average percentage increase for its compensatory class.³⁰

In this price adjustment, the Postal Service has proposed price increases for the USPS Marketing Mail Flats, Parcels, and Carrier Route products of 3.966 percent, 20.029 percent, and 3.963 percent, respectively, all of which are more than 2 percentage points above the USPS Marketing Mail class average increase of 1.961 percent. Notice at 10; Section VI.B., *supra*. This is consistent with the requirements of 39 C.F.R. § 3030.127(b) and 39 C.F.R. § 3030.221.

D. Workshare Discounts

1. Introduction

As described in Section II., *supra*, the rules in 39 C.F.R. part 3030, subpart J govern the pricing requirements for workshare discounts.

³⁰ 39 C.F.R. §§ 3030.127(b), .221. See FY 2022 ACD at 48, 52-53, 56.

2. The Postal Service's Position

The Postal Service asserts that all USPS Marketing Mail workshare discounts comply with 39 C.F.R. part 3030, subpart J. Notice at 11-12. The Postal Service states that “[o]f [the] 58 passthroughs in [USPS] Marketing Mail, 36 passthroughs are equal to 100 percent.” *Id.* at 11. The Postal Service proposes that the remaining 22 workshare discounts be set below avoided costs, with 13 of those workshare discounts having passthroughs between 85 and 100 percent. *Id.* For the nine remaining workshare discounts with passthroughs below 85 percent, the Postal Service proposes to increase the workshare discounts by a minimum of 20 percent consistent with the exception in 39 C.F.R. § 3030.284(c). *Id.* at 11-12.

3. Comments

The Public Representative states that the proposed USPS Marketing Mail workshare discounts comply with 39 C.F.R. part 3030, subpart J. PR Comments at 11-14. He observes that the workshare discount for High Density Letters is “set far below avoided cost.” *Id.* at 12. He contends that, because “aggressively increasing the passthrough would likely be financially detrimental to the Postal Service,” and because the proposed increase complies with 39 C.F.R. § 3030.284(c), the Postal Service’s incremental approach to adjusting the discount appears to be acceptable. *Id.* He also observes that the workshare discounts for Saturation Flats on Delivery Sort containers and High Density, High Density Plus, and Saturation Flats on SCF pallets are “set far below avoided costs.” *Id.* at 13-14. He notes that the Postal Service has increased each of these discounts, except High Density Flats on SCF pallets, by more than the minimum 20 percent called for by 39 C.F.R. § 3030.284(c). *Id.* at 14.

Pitney Bowes states that the proposed rate design for USPS Marketing Mail Letters has improved as a result of the Commission’s workshare regulations. Pitney Bowes Comments at 2. Pitney Bowes notes that the workshare discounts for USPS

Marketing Mail Automation AADC Letters, USPS Marketing Mail Automation 5-Digit Letters, USPS Marketing Mail Automation Mixed AADC Letters, and USPS Marketing Mail destination sectional center facility (DSCF) Letters are all set equal to avoided costs. *Id.*

PostCom argues that the specific workshare passthrough requirements “may sometimes lead to inefficient price signals.” PostCom Comments at 2. PostCom states that the Postal Service has maintained “the flat piece rate incentive for drop shipment of heavy weight Marketing Mail Flats.” *Id.* PostCom argues that this fails to account for the additional weight-related costs that are incurred to transport flats, and that this is also inconsistent with the pricing of Bound Printed Matter (BPM) Flats. *Id.* PostCom contends that the Postal Service would risk delayed implementation of proposed rate increases if it chose to request a waiver of the applicable 39 C.F.R. part 3030, subpart J requirements. *Id.* Additionally, PostCom contends that the proposed rate for USPS Marketing Mail Machinable Letters AADC is identical to the rate for Automation Letters AADC, and that it appears that a lower rate for Automation Letters AADC would have violated the 39 C.F.R. part 3030, subpart J rules. *Id.* PostCom argues that preparing Automation letters rather than Machinable letters “saves costs and creates efficiencies,” but the rates do not reflect that reality. *Id.* PostCom argues that when rate increases at the class level are “relatively modest,” “counterintuitive rates” may result from the Postal Service’s lack of flexibility. *Id.*

4. Commission Analysis

In accordance with 39 C.F.R. § 3030.282, if a workshare discount is currently equal to the cost avoided by the Postal Service, the size of the discount cannot be changed; if a workshare discount currently exceeds the cost avoided by the Postal Service, then the size of the discount cannot be increased; and if a workshare discount currently is less than the cost avoided by the Postal Service, then the size of the discount cannot be decreased. 39 C.F.R. § 3030.282. The Commission has verified

that all USPS Marketing Mail workshare discounts proposed in this proceeding comply with 39 C.F.R. § 3030.282.

The regulations also provide specific limitations on how workshare discounts that do not equal avoided costs can be set. The Postal Service states that of the 58 USPS Marketing Mail workshare discounts, 36 have passthroughs that are equal to 100 percent, and 22 have passthroughs that are less than 100 percent. Notice at 11. The Postal Service contends of the 22 workshare discounts that are set below avoided costs, 13 have passthroughs between 85 and 100 percent, and 9 have been increased by at least 20 percent. *Id.* at 11-12. In accordance with 39 C.F.R. § 3030.284, “[n]o proposal to adjust a rate may set a workshare discount that would be below the cost avoided by the Postal Service for not providing the applicable service” unless an exception listed in 39 C.F.R. § 3030.284(b)-(e) applies. 39 C.F.R. § 3030.284(a). One of the exceptions permits workshare discounts where “[t]he percentage passthrough for the proposed workshare discount is at least 85 percent.” *Id.* § 3030.284(e). Another permits a workshare discount set below avoided costs where “[t]he proposed workshare discount is a minimum of 20 percent more than the existing workshare discount.” *Id.* § 3030.284(c). The Commission has confirmed that all USPS Marketing Mail workshare discounts set below avoided costs are permitted under one of the exceptions in 39 C.F.R. § 3030.284.

The USPS Marketing Mail workshare discounts comply with the requirements of 39 C.F.R. part 3030, subpart J. As a result, the Commission approves the USPS Marketing Mail workshare discounts proposed in this proceeding. However, consistent with the views of the Public Representative, the Commission encourages the Postal Service to use its pricing flexibility to bring the High Density Letters, Saturation Flats on Delivery Sort containers, and High Density, High Density Plus, and Saturation Flats on SCF pallets workshare discounts closer to avoided costs by exceeding the minimum

changes set forth in 39 C.F.R. § 3030.284 in future rate adjustment proceedings. See PR Comments at 12-14.

With respect to PostCom's argument that the Postal Service is sending inefficient pricing signals because the proposed rates for USPS Marketing Mail Machinable Letters AADC and Automation Letters AADC are identical, the Commission reiterates that its role in price adjustment proceedings with regard to workshare discounts is to determine whether the planned workshare discounts are consistent with applicable law, which with regard to workshare discounts means compliance with 39 C.F.R. part 3030, subpart J. See PostCom Comments at 2; 39 C.F.R. § 3030.126(b). Because the Commission determines that the USPS Marketing Mail Machinable Letters AADC and Automation Letters AADC workshare discounts comply with the requirements of 39 C.F.R. part 3030, subpart J, it is within the Postal Service's discretion and pricing flexibility to set these rates equally. The Commission notes that there is not a measured workshare relationship between these two workshare discounts. Nonetheless, the Commission encourages the Postal Service to consider PostCom's arguments as to why these prices should differ and whether the Postal Service would send better pricing signals by setting different rates for USPS Marketing Mail Machinable Letters AADC and Automation Letters AADC in future price adjustment proceedings. Should PostCom have specific suggestions for how the 39 C.F.R. part 3030, subpart J regulations could be amended to avoid "counterintuitive rates," such changes would need to be considered in a rulemaking docket rather than this proceeding. See PostCom Comments at 2.

With respect to PostCom's comments that the Postal Service has maintained the flat piece rate incentive for drop shipment of USPS Marketing Mail heavy weight flats, the Commission notes that it approved the price structure and the calculation of workshare discounts for USPS Marketing Mail flat-shaped mailpieces in Docket No.

RM2023-4.³¹ The prices proposed by the Postal Service in this proceeding are consistent with the pricing structure for flat-shaped USPS Marketing Mail approved in Docket No. RM2023-4. See Order No. 6474 at 6-7, 9-13. The Commission declines to revisit the pricing structure for flat-shaped USPS Marketing Mail in this proceeding. Finally, the Commission notes that, contrary to PostCom's assertion, requesting a waiver for a workshare discount does not risk delay in implementing a rate change. Rather, 39 C.F.R. § 3030.286(a) requires a waiver to be filed 60 days before a price adjustment case to allow the waiver to be adjudicated prior to the filing of the rate adjustment proceeding. See 39 C.F.R. § 3030.286(a), (d), (h). The Commission notes that no waivers pursuant to 39 C.F.R. § 3030.286 were requested in advance of this proceeding.

E. Statutory Preferential Rates

Nonprofit rates are required to yield per-piece revenues that equal, as nearly as practicable, 60 percent of commercial per-piece revenues. 39 U.S.C. § 3626(a)(6)(A). The Postal Service states that it has complied with this requirement in this proceeding. Notice at 19-20. The Public Representative states that the Postal Service fulfills the requirements of 39 U.S.C. § 3626. PR Comments at 15. No other commenter discusses compliance with 39 U.S.C. § 3626. For the planned prices in this proceeding, the percentage ratio of the nonprofit average revenue per piece to the commercial average revenue per piece is 60.2 percent.³² The Commission finds that the revenue per-piece percentage ratio proposed by the Postal Service fulfills the requirement of 39 U.S.C. § 3626(a)(6)(A).

³¹ Docket No. RM2023-4, Order on Analytical Principles Used in Periodic Reporting (Proposal One), April 6, 2023 (Order No. 6474); see PostCom Comments at 2.

³² Library Reference PRC-LR-R2024-1-2, Excel file "PRC-CAPCALC-MM-R2024-1.xlsx."

F. Nonprofit Discounts

The Postal Service is required to either equalize or adequately justify all unequal nonprofit and commercial discounts.³³ The Postal Service states that it is “keeping nonprofit discounts equal to the comparable commercial discounts.” Notice at 20. No commenter challenges the Postal Service’s compliance with this requirement. The Commission finds that the Postal Service’s planned nonprofit discounts comply with this requirement by equalizing comparable nonprofit and commercial discounts.

G. Other Comments Related to USPS Marketing Mail

1. Introduction

N/MA raises concerns related to USPS Marketing Mail that have not been addressed elsewhere in this section. N/MA Comments at 5-6.

2. Comments

N/MA states that the Postal Service proposes to continue the 10 percent Marriage Mail incentive for Saturation Flats and Letters weighing 2 ounces or less. N/MA Comments at 5. N/MA asserts that, as it argued in Docket No. R2023-2, this incentive should be extended to High Density Plus Flats, which it states serves the same advertising market. *Id.* at 5-6. N/MA contends that lighter-density mailers face the same challenges as saturation mailers, as well as competition from saturation mailers. *Id.* at 6.

³³ See 39 U.S.C. § 403(c); *Nat’l Easter Seal Soc’y for Crippled Child. & Adults v. U.S. Postal Serv.*, 656 F.2d 754 (D.C. Cir. 1981).

3. Commission Analysis

The Postal Service has not proposed any changes to the Marriage Mail incentive approved in Docket No. R2023-2 in this proceeding. As the Commission stated in response to N/MA's comments in Docket No. R2023-2, "it is within the Postal Service's pricing flexibility to determine which price categories are eligible for specific incentives and promotions." Order No. 6526 at 81. Thus, it is within the Postal Service's discretion to limit the incentive to Saturation Flats and Letters and to elect not to extend it to High Density Plus Flats in Docket No. R2023-2 and this proceeding. Nonetheless, the Commission encourages the Postal Service to consider N/MA's arguments for extending the Marriage Mail discount to High Density Plus Flats in future price adjustments.

VII. PERIODICALS

A. Introduction

This section discusses the price adjustment authority, non-compensatory products, workshare discounts, and statutory preferential rates applicable to Periodicals. This section also discusses comments related to Periodicals not addressed elsewhere in this Order. The proposed changes to the MCS for the Periodicals class reflect the prices proposed in this proceeding, and thus the Commission does not include a separate discussion of MCS changes related to the Periodicals class.³⁴ The changes to

³⁴ In the Notice, the Postal Service identifies that the Firm Bundle Single-Piece price was not updated from \$0.223 to \$0.226 after Docket No. R2023-2 in the version of the MCS posted on the Commission's website as of the date of the filing of the Notice. Notice at 23; *id.* Attachment A at 41. The Public Representative states that the proposed correction is consistent with applicable statutory and regulatory requirements. PR Comments at 19. Because this price change was previously approved in Order No. 6526, the Commission will make this change to the MCS in its next update and does not include this change in the Attachment to this Order. See Order No. 6526, Attachment at 58.

the MCS needed to reflect the planned new prices are shown in the Attachment to this Order.

B. Price Adjustment Authority

1. Introduction

The Periodicals class consists of two products: (1) In-County³⁵ and (2) Outside County. The planned price increase for Periodicals is, on average, 1.959 percent, which results in no remaining unused price adjustment authority.³⁶ Table VII-1 shows the percentage price change for each Periodicals product as calculated by the Commission.

**Table VII-1
Periodicals Price Changes (By Product)**

Periodicals Product	Price Change %
Outside County	1.594
In-County	7.320
Overall	1.959
Source: Library Reference PRC-LR-R2024-1-3, Excel file "PRC-CAPCALC-PER-R2024-1.xlsx."	

³⁵ Although the Notice refers to this product as "Within County," this product is named In-County Periodicals in the MCS. See Notice at 13; *id.* Attachment A at 37.

³⁶ As shown in Table II-1, *supra*, the Postal Service has 1.959 percent in available pricing authority. Subtracting the 1.959 percent that the Postal Service is using in this proceeding from its available pricing authority results in 0.000 percent remaining as unused price adjustment authority. See Library Reference PRC-LR-R2024-1-3, Excel file "PRC-CAPCALC-PER-R2024-1.xlsx."

2. The Postal Service's Position

The Postal Service asserts that it complied with the applicable price cap requirements. See Notice at 3-5. In the Notice, the Postal Service proposes three adjustments to the hybrid year billing determinants for Periodicals. *Id.* at 14-15. First, the Postal Service separates Science of Agriculture pounds from Regular Advertising pounds in the billing determinants “[i]n order to calculate the change in prices for Science of Agriculture pounds for Zones 3-9.” *Id.* at 14. Second, the Postal Service proposes to continue to price bundles in sacks entered at facilities other than a DSCF, sort and distribution center (SDC), or destination delivery unit (DDU) as if they are in Mixed ADC containers. *Id.* at 14-15. To effectuate this, the Postal Service proposes to continue moving “the bundles volume in sacks presented at Origin, [destination network distribution center (DNDC)], and [destination area distribution center (DADC)] to presort in [Mixed ADC] containers entered at Origin with the container fee waived.” *Id.* at 14. Third, the Postal Service states that it “continues to eliminate the entry of sacks containing flats at the [origin sectional center facility (OSCF)], [origin area distribution center (OADC)], [origin network distribution center (ONDC)], DNDC, and DADC” and that “[t]hese entry points will only accept sacks containing parcels.” *Id.* at 15. To effectuate this, the Postal Service proposes to remove from the billing determinants the volume of sacks containing flats, “except the sacks volume at DSCF Entry, DDU Entry, and all sacks volume containing parcels.” *Id.*

3. Comments

No commenter disputes that the proposed price adjustments comply with the price cap. The Public Representative asserts that the planned price adjustments comply with the requirements of the price cap and conform to the requirements of title 39 of the United States Code and 39 C.F.R. part 3030. PR Comments at 4, 9. PostCom also states the proposed prices comply with the price cap and do not exceed available pricing authority. PostCom Comments at 1.

4. Commission Analysis

The Commission finds that the Postal Service's price adjustments for Periodicals comply with the price cap limitations specified by 39 C.F.R. part 3030. The Postal Service's planned price adjustment of 1.959 percent is equal to the total available authority; therefore, there is no unused price adjustment authority available for Periodicals after this proceeding. The Commission accepts the Postal Service's adjustments to the billing determinants for Periodicals as reasonable.

C. Non-Compensatory Products

1. Introduction

In FY 2022, both the In-County and Outside County products did not cover their attributable costs. FY 2022 ACD at 29. As a result, the Periodicals class as a whole was non-compensatory in FY 2022 with a class cost coverage of 61.1 percent. *Id.* In the FY 2022 ACD, the Commission "encourage[d] the Postal Service to continue to maximize its usage of rate authority granted under 39 C.F.R. § 3030.222 and to maximize its revenue by strategically pricing Periodicals." *Id.* at 36.

2. The Postal Service's Position

The proposed percentage changes in prices for In-County and Outside County as a result of this proceeding are 7.320 and 1.594 percent, respectively. Notice at 13. The Postal Service acknowledges that the Periodicals class as a whole was non-compensatory in FY 2022 and states that "the two percent additional rate authority under 39 C.F.R. § 3030.222(a) was used in Docket No. R2023-2 and is not available here." *Id.* The Postal Service represents that its pricing strategy for Periodicals in this proceeding "is to maximize use of cap space on Outside County Piece prices, after resolving workshare discount compliance." *Id.* The Postal Service further states that In-County "prices are increased to meet workshare passthrough requirements." *Id.*

3. Comments

No commenters raise issues pertaining to In-County's and Outside County's status as non-compensatory products.

4. Commission Analysis

As described in Section II., *supra*, non-compensatory products cannot have their rates reduced. 39 C.F.R. § 3030.127(b). Because the prices for both In-County and Outside County are increasing as a result of this proceeding, the proposed prices comply with 39 C.F.R. § 3030.127(b). Notice at 13; Section VII.B., *supra*. The Commission notes that the pricing requirements of 39 C.F.R. § 3030.221 are inapplicable to non-compensatory products in non-compensatory classes and thus are inapplicable to both Periodicals products. The Commission recommends that the Postal Service continue to explore pricing strategies aimed at improving the cost coverage of the Periodicals class.

D. Workshare Discounts

1. Introduction

As described in Section II., *supra*, the rules in 39 C.F.R. part 3030, subpart J govern the pricing requirements for workshare discounts.

2. The Postal Service's Position

The Postal Service asserts that all Periodicals workshare discounts comply with 39 C.F.R. part 3030, subpart J. See Notice at 14. The Postal Service states that "of 30 passthroughs in Periodicals, 28 are between 85 and 100 percent (compared to 25 in Docket No. R2023-2), and 2 are below 85 percent." *Id.* The Postal Service asserts that passthroughs between 85 and 100 percent are compliant with the applicable regulations. *Id.* The Postal Service states that it "is bringing the two passthroughs

below 85 percent into compliance 39 C.F.R. § 3030.284, by raising [each] discount at least 20 percent.” *Id.*

3. Comments

The Public Representative states that the proposed workshare discounts comply with 39 C.F.R. part 3030, subpart J. PR Comments at 14. No other commenter raises the proposed workshare discounts for the Periodicals class.

4. Commission Analysis

In accordance with 39 C.F.R. § 3030.282, if a workshare discount is currently equal to the cost avoided by the Postal Service, the size of the discount cannot be changed; if a workshare discount currently exceeds the cost avoided by the Postal Service, then the size of the discount cannot be increased; and if a workshare discount currently is less than the cost avoided by the Postal Service, then the size of the discount cannot be decreased. 39 C.F.R. § 3030.282. The Commission has verified that all Periodicals workshare discounts proposed in this proceeding comply with 39 C.F.R. § 3030.282.

The regulations also provide specific limitations on how workshare discounts that do not equal avoided costs can be set. The Postal Service represents that all Periodicals workshare discounts are set below their avoided costs but have been increased by at least 20 percent or are set to result in passthroughs of at least 85 percent. See Notice at 14. In accordance with 39 C.F.R. § 3030.284, “[n]o proposal to adjust a rate may set a workshare discount that would be below the cost avoided by the Postal Service for not providing the applicable service” unless one of several exceptions applies. 39 C.F.R. § 3030.284(a). One of the exceptions permits workshare discounts where “[t]he percentage passthrough for the proposed workshare discount is at least 85 percent.” *Id.* § 3030.284(e). Another permits a workshare discount set below avoided costs where “[t]he proposed workshare discount is a minimum of 20 percent more than

the existing workshare discount.” *Id.* § 3030.284(c). The Commission has confirmed that all Periodicals workshare discounts are permitted under one of the exceptions in 39 C.F.R. § 3030.284.

E. Statutory Preferential Rates

1. Introduction

The Periodicals class is accorded several statutory pricing preferences. See 39 U.S.C. § 3626.

2. The Postal Service’s Position

The Postal Service states that it has complied with these requirements in this proceeding. Notice at 19.

In-County. 39 U.S.C. § 3626(a)(3) requires that the prices for In-County Periodicals reflect this product’s preferred status relative to the prices for regular rate (Outside County) Periodicals. The Postal Service asserts that it continues to recognize the preferential status of In-County Periodicals by setting its prices below those of Outside County Periodicals. *Id.*

Outside County—Nonprofit and Classroom. 39 U.S.C. § 3626(a)(4)(A) requires that Nonprofit and Classroom Periodicals receive, as nearly as practicable, a 5 percent discount from regular rate postage, except for advertising pounds. The Postal Service asserts that, consistent with past practice, it continues this rate preference by giving Nonprofit and Classroom pieces a 5 percent discount on all components of postage, except for advertising pounds and ride-along postage. *Id.* at 19-20.

Outside County—Science of Agriculture Periodicals. 39 U.S.C. § 3626(a)(5) requires that Science of Agriculture Periodicals be given preferential treatment for advertising pounds. The Postal Service states that it will continue to provide these

publications with advertising pound prices for DDU, DSCF, and DADC that are 75 percent of the advertising pound prices applicable to regular Outside County Periodicals. *Id.* at 20. In addition, the Postal Service proposes that the advertising pound price for Outside County Science of Agriculture Periodicals entered at any other zone or entry level be set to 75 percent of the rate applicable to regular Outside County Periodicals. *Id.*

Limited circulation discount. 39 U.S.C. § 3626(g)(4)(C) provides preferential treatment for Outside County pieces of a Periodicals publication with fewer than 5,000 Outside County pieces and at least 1 In-County piece. The Postal Service states that it is continuing the “limited circulation” discount that provides these pieces with a discount equivalent to the Nonprofit and Classroom discount. *Id.* at 21.

3. Comments

The Public Representative states that the Postal Service fulfills the requirements of 39 U.S.C. § 3626. PR Comments at 15. No other commenter discusses compliance with 39 U.S.C. § 3626.

4. Commission Analysis

The planned prices are consistent with the statutory preferences for mail in the Periodicals class. Specifically:

- *In-County.* The average per-piece revenue for In-County is approximately 41.9 percent of the average per-piece revenue for Outside County pieces. This satisfies 39 U.S.C. § 3626(a)(3).
- *Outside County—Nonprofit and Classroom.* Nonprofit and Classroom publications receive a 5 percent discount from regular Outside County piece, bundle, sack, and pallet prices, and editorial pound prices, consistent with 39 U.S.C. § 3626(a)(4)(A).

- *Outside County—Science of Agriculture Periodicals.* Advertising pound prices for Outside County Science of Agriculture Periodicals entered at Origin, DDU, DADC, and DSCF are 25 percent less than regular Outside County Periodicals' rates, consistent with 39 U.S.C. § 3626(a)(5). The Commission notes that setting the advertising pound price for Outside County Science of Agriculture Periodicals entered at the DDU at 75.4 percent of the rate applicable to regular Outside County Periodicals is appropriate because setting that price at exactly 75 percent of regular Outside County Periodicals' rates is not possible due to the fact that prices are set to three decimal places.
- *Limited circulation discount.* The planned limited circulation discount for qualifying Outside County pieces is 5 percent, consistent with 39 U.S.C. § 3626(g)(4)(C).

F. Other Comments Related to Periodicals

1. Introduction

N/MA raises concerns related to Periodicals that have not been addressed elsewhere in this section. N/MA Comments at 1-3.

2. Comments

N/MA raises two issues not addressed elsewhere in this Order. First, N/MA states that the price increase for the In-County product in this proceeding far exceeds inflation with an average increase of 7.320 percent and that Carrier Route Nonautomation Letters and Flats, the largest In-County category by volume, is proposed to increase 5.8 percent. *Id.* at 1. N/MA states that “[i]t is unfortunate that the Postal Service has not requested a waiver of Commission rule 3030.127(b) to allow it to moderate the Carrier Route rate increase.” *Id.*

Second, N/MA observes that “[t]he underlying problem facing [the] Periodicals class is the Postal Service’s chronic inability to control Flats costs.” *Id.* at 2. N/MA takes the position that section 206 of the Postal Service Reform Act (PSRA) “directed the Commission and Postal Service to focus on Flats costs while suggesting that, rather than raise Flats rates, rates should be moderated until costs are brought under control.”³⁷ N/MA asserts that the inability to control costs “bears much of the blame for the non-compensatory status of the Periodicals class” and that it is essential that costs be brought under control. *Id.* N/MA notes that section 206 of the PSRA also requires the Postal Service to consider the Commission’s Flats Operations Study Report and its own plan when changing prices.³⁸ N/MA claims that the Postal Service’s decision “to impose on Periodicals the maximum increase indicates that it has given Section 206(c) little consideration.” N/MA Comments at 3. N/MA asserts that the Commission should require future price increases “to be guided by a full and proper consideration of Congress’ Flats pricing mandate, and corresponding rate moderation.” *Id.*

3. Commission Analysis

With respect to N/MA’s concern about the magnitude of the price increases for the In-County product and Carrier Route Nonautomation Letters and Flats in particular, the Commission notes that the authority to establish prices is vested primarily in the Governors of the Postal Service. See 39 U.S.C. § 404(b); N/MA Comments at 1. Under the ratemaking system, the Governors of the Postal Service have the discretion to use some, none, or all of the available rate authority and to select individual prices for products and rate cells that comply with the class-level price cap. Order No. 5763 at 313-14, 315-16. The Commission previously found that the class-level application of

³⁷ *Id.* Postal Service Reform Act of 2022 (PSRA), Pub. L. 117-108, 136 Stat. 1127 (2022).

³⁸ *Id.* at 3. See Docket No. SS2022-1, *Flats Operations Study Report*, April 6, 2023, available at https://www.prc.gov/sites/default/files/reports/Flats%20Operations%20Study%20Report_2023.pdf (Flats Operations Study Report).

the price cap allows the Postal Service pricing flexibility to vary the size of rate changes at the class, product, and rate cell levels. *Id.* at 315-16. Thus, the Postal Service retains flexibility to vary proposed prices within classes and among products and price categories. The Commission's review in this proceeding is limited to ensuring the proposed prices comply with the requirements of 39 C.F.R. part 3030, Commission directives and orders, and 39 U.S.C. §§ 3626, 3627, and 3629, which the proposed price adjustments for Periodicals do, and no commenter alleges otherwise. 39 C.F.R. § 3030.126(b). As a result, the Commission has no basis, on the grounds raised in the comments, for determining that the proposed In-County prices do not comply with applicable law. In addition, the Commission notes that cost coverage was 49.1 percent for In-County and 61.9 percent for Outside County in FY 2022. FY 2022 ACD at 29. In addition, the Postal Service states that In-County prices are increased to meet the requirements for workshare discounts of 39 C.F.R. part 3030, subpart J. Notice at 13. The Commission notes that although the prices for In-County are within the Postal Service's discretion, it is reasonable to increase prices above the class average to ensure compliance with the regulations governing workshare discounts and to improve cost coverage for the product with lower cost coverage.

With respect to N/MA's suggestion that a waiver of 39 C.F.R. § 3030.127(b) would have moderated the Carrier Route rate increase, the Commission suggests that this is not the case. See N/MA Comments at 1. 39 C.F.R. § 3030.127(b) prevents a decrease in prices at the product level for products that do not cover their attributable costs (*e.g.*, In-County). See 39 C.F.R. § 3030.127(b). It does not, however, set a level of increase (or even require an increase) or otherwise dictate how prices are set for individual rate cells and price categories within a product. See *id.*

With respect to N/MA's comments concerning the costs of flats, the Commission notes that Periodicals' costs (and the costs related to other Market Dominant products and classes) are outside the scope of this proceeding. As described above, the

Commission's review in this proceeding is limited to ensuring the proposed prices comply with the requirements of 39 C.F.R. part 3030, Commission directives and orders, and 39 U.S.C. §§ 3626, 3627, and 3629. 39 C.F.R. § 3030.126(b). The Commission does review the issues related to costs for Periodicals (and other Market Dominant mail) annually in the Annual Compliance Review proceeding, in which N/MA and other interested parties are invited to participate. See, e.g., FY 2022 ACD at 29-31, 33-36. That proceeding is a more appropriate forum for stakeholders to raise concerns about Periodicals' or other Market Dominant classes' or products' costs and to suggest potential remedial action for the Commission's consideration. In the FY 2022 ACD, the Commission reiterated "its longstanding findings that despite numerous cost-reduction initiatives designed to reduce flat-shaped mail costs, including Periodicals costs, these costs have risen over time." *Id.* at 36. The Commission found that the Postal Service should "monitor its costs and develop a plan to further reduce Periodicals costs." *Id.* As N/MA recognizes, the Commission also considered and analyzed cost issues related to flats, including Periodicals, in the Flats Operations Study Report.³⁹ In addition, the Commission recently opened an opportunity for interested persons to comment on the Postal Service Flats Plan in Docket No. SS2022-1.⁴⁰ The Commission shares N/MA's concerns about Periodicals' costs and continues to encourage the Postal Service to take steps to address them.

With respect to N/MA's position that PSRA § 206 suggests that rates for flats "should be moderated until costs are brought under control[,]” the Commission observes that only PSRA § 206(c) mentions pricing and that paragraph does not suggest that flats' prices should be moderated. PSRA § 206(c). It states that during the 5 years

³⁹ See generally Flats Operations Study Report. See also Docket No. SS2022-1, Submission of the United States Postal Service Flats Plan Pursuant to Section 206 of the Postal Service Reform Act of 2022, October 6, 2023 (Postal Service Flats Plan).

⁴⁰ Docket No. SS2022-1, Notice and Order on the Postal Service Submission of Flats Plan, November 17, 2023, at 7 (Order No. 6803).

after the issuance of the Flats Operations Study Report, “the Postal Service, when making any adjustment to the rate of a market-dominant product . . . shall consider the findings of such report and, after [the Postal Service’s plan to address flats operations] is implemented, the plan’s efficacy in remedying the inefficiencies identified in the [Commission’s report].” *Id.* The Commission does agree with N/MA that PSRA § 206(c) requires the Postal Service to consider the Commission’s report and its plan when changing prices. See N/MA Comments at 3. The Commission disagrees, however, that this constitutes a statutory “pricing mandate” that requires “rate moderation.” See *id.*

VIII. PACKAGE SERVICES

A. Introduction

This section discusses the price adjustment authority, non-compensatory products, workshare discounts, classification changes, and statutory preferential rates applicable to Package Services.

B. Price Adjustment Authority

1. Introduction

The Package Services class consists of four products: (1) Alaska Bypass Service; (2) BPM Flats; (3) BPM Parcels; and (4) Media Mail/Library Mail. The planned price increase for Package Services is, on average, 1.960 percent, which results in 0.001 percent remaining unused price adjustment authority.⁴¹ Table VIII-1 shows the

⁴¹ As shown in Table II-1, *supra*, the Postal Service has 1.961 percent in available pricing authority. Subtracting the 1.960 percent that the Postal Service is using in this proceeding from its available pricing authority results in 0.001 percent remaining as unused price adjustment authority. See Library Reference PRC-LR-R2024-1-4, Excel file “PRC-CAPCALC-PACKSERV-R2024-1.xlsx.”

percentage price change for each Package Services product as calculated by the Commission.

**Table VIII-1
Package Services Price Changes (By Product)**

Package Services Product	Price Change %
Alaska Bypass Service	0.000
BPM Flats	0.095
BPM Parcels	0.000
Media Mail/Library Mail	3.979
Overall	1.960
Source: Library Reference PRC-LR-R2024-1-4, Excel file "PRC-CAPCALC-PACKSERV-R2024-1.xlsx."	

2. The Postal Service's Position

The Postal Service asserts that it complied with the applicable price cap requirements. See Notice at 3-5. The Postal Service proposes no adjustments to the hybrid year billing determinants for Package Services. See *id.* at 17.

3. Comments

No commenter disputes that the proposed price adjustments comply with the price cap. The Public Representative asserts that the planned price adjustments comply with the requirements of the price cap and conform to the requirements of title 39 of the United States Code and 39 C.F.R. part 3030. PR Comments at 4, 10. PostCom also states the proposed prices comply with the price cap and do not exceed available pricing authority. PostCom Comments at 1.

4. Commission Analysis

The Commission finds that the Postal Service's price adjustments for Package Services comply with the price cap limitations specified by 39 C.F.R. part 3030. The Postal Service's planned price adjustment of 1.960 percent is less than the total available authority of 1.961 percent; therefore, the total unused price adjustment authority available for Package Services after this proceeding is 0.001 percent.

C. Non-Compensatory Products

1. Introduction

In FY 2022, Media Mail/Library Mail was the only Package Services product that did not cover its attributable costs. FY 2022 ACD at 57. Media Mail/Library Mail had a cost coverage of 91.3 percent. *Id.* In the FY 2022 ACD, the Commission reminded the Postal Service that "under 39 C.F.R. § 3030.221, the Postal Service must increase the prices of Media Mail/Library Mail by at least 2 percentage points above the class average in each Market Dominant rate adjustment affecting Package Services through the issuance of the FY 2023 ACD." *Id.* at 61.

2. The Postal Service's Position

The Postal Service acknowledges that the Commission found that the Media Mail/Library Mail product did not cover its costs in FY 2022 and that it is required by 39 C.F.R. § 3030.221 to raise rates for this product by at least 2 percentage points above the class average. Notice at 15-16. The Postal Service proposes an increase of 3.979 percent for Media Mail/Library Mail. *Id.* at 16. The Postal Service states that this rate increase should improve Media Mail/Library Mail's cost coverage and that the rate increase for Media Mail/Library Mail "utilizes much of the cap space available for Package Services." *Id.*

3. Comments

The Public Representative states that the proposed price increase for Media Mail/Library Mail complies with 39 C.F.R. § 3030.221. PR Comments at 17-18. No other commenters raise issues pertaining to Media Mail/Library Mail's status as a non-compensatory product.

4. Commission Analysis

As described in Section II., *supra*, there are two regulatory requirements specific to non-compensatory products in compensatory classes: (1) rates may not be reduced for non-compensatory products; and (2) rates for each non-compensatory product must increase by a minimum of 2 percentage points above the average percentage increase for its compensatory class.⁴²

In this price adjustment, the Postal Service has proposed a price increase for Media Mail/Library Mail of 3.979 percent, which is more than 2 percentage points above the Package Services class average increase of 1.960 percent. Notice at 15-16; Section VIII.B., *supra*. This is consistent with the requirements of 39 C.F.R. § 3030.127(b) and 39 C.F.R. § 3030.221.

D. Workshare Discounts

1. Introduction

As described in Section II., *supra*, the rules in 39 C.F.R. part 3030, subpart J govern the pricing requirements for workshare discounts.

⁴² 39 C.F.R. § 3030.127(b); *id.* § 3030.221. See FY 2022 ACD at 61.

2. The Postal Service's Position

In the Notice, the Postal Service states that all but one of the Package Services passthroughs were between 85 and 100 percent and therefore in compliance with 39 C.F.R. § 3030.284(e) prior to this proceeding. Notice at 16. With regard to the one passthrough less than 85 percent, the BPM Flats DDU passthrough, the Postal Service proposes to increase the discount in this proceeding, resulting in a new passthrough of 85 percent. *Id.*

3. Comments

The Public Representative states that the one passthrough currently below 85 percent (*i.e.*, the passthrough for BPM Flats DDU Presort) is being raised to 85 percent in this proceeding and thus complies with 39 C.F.R. § 3030.284(e). PR Comments at 14. No other commenter raises the proposed workshare discounts for the Package Services class.

4. Commission Analysis

In accordance with 39 C.F.R. § 3030.282, if a workshare discount is currently equal to the cost avoided by the Postal Service, the size of the discount cannot be changed; if a workshare discount currently exceeds the cost avoided by the Postal Service, then the size of the discount cannot be increased; and if a workshare discount currently is less than the cost avoided by the Postal Service, then the size of the discount cannot be decreased. 39 C.F.R. § 3030.282. The Commission has verified that all Package Services workshare discounts proposed in this proceeding comply with 39 C.F.R. § 3030.282.

The regulations also provide specific limitations on how workshare discounts that do not equal avoided costs can be set. Three Package Services workshare discounts are proposed to equal their avoided costs and thus will have passthroughs of 100

percent.⁴³ Nine Package Services workshare discounts are set below avoided costs.⁴⁴ In accordance with 39 C.F.R. 3030.284, “[n]o proposal to adjust a rate may set a workshare discount that would be below the cost avoided by the Postal Service for not providing the applicable service” unless one of several exceptions applies. 39 C.F.R. § 3030.284(a). One of the exceptions permits workshare discounts where “[t]he percentage passthrough for the proposed workshare discount is at least 85 percent.” *Id.* § 3030.284(e). The Commission has confirmed that the nine Package Services workshare discounts set below avoided costs are permitted under the exception in 39 C.F.R. § 3030.284(e) and will have passthroughs of at least 85 percent.

E. Mail Classification Changes

In Docket No. R2023-2, the Postal Service proposed and the Commission approved the removal of zoned prices for Carrier Route and Presorted BPM Parcels that are dropshipped at origin and the network distribution center (NDC) and changes to the MCS price tables to effectuate these changes. Order No. 6526 at 107-09. In the Notice, the Postal Service identifies that two changes to the MCS posted on the Commission’s website at the time of filing that are necessary to fully reflect the approved removal of the zoned prices in the MCS. Notice at 23, *id.* Attachment A at 44. The Public Representative states that the proposed corrections are consistent with applicable statutory and regulatory requirements. PR Comments at 19. No other commenter raises the proposed changes in their comments.

The first change is the removal of the zoned Carrier Route price table for BPM Parcels. Notice, Attachment A at 44. The Commission notes that this change was approved in Order No. 6526. Order No. 6526, Attachment at 64. Because this change

⁴³ Notice, Attachment B, Excel file “R2024-1 Attachment B.xlsx,” tabs “Bound Printed Matter Flats” and “Bound Printed Matter Parcels.”

⁴⁴ Notice, Attachment B, Excel file “R2024-1 Attachment B.xlsx,” tabs “Media Mail & Library Mail,” “Bound Printed Matter Flats,” and “Bound Printed Matter Parcels.”

was approved in Docket No. R2023-2, the Commission will make this change to the MCS in its next update and does not include this change in the Attachment to this Order. The second change is the removal of zoned pricing as a price category for Carrier Route and Presorted BPM Parcels in MCS § 1420.4. Notice, Attachment A at 44. This change was not proposed or approved in Docket No. R2023-2 but is an appropriate change to make in light of the removal of zoned prices for Carrier Route and Presorted BPM Parcels approved in Order No. 6526. Thus, this change is approved and appears in the Attachment to this Order.

All other proposed changes to the MCS for the Package Services class update the prices to reflect the prices proposed in this proceeding. The changes to the MCS needed to reflect the planned new prices are shown in the Attachment to this Order.

F. Statutory Preferential Rates

The Postal Service is required to set prices for Library Mail as nearly as practicable to 95 percent of Media Mail prices. See 39 U.S.C. § 3626(a)(7). The Postal Service explains that it satisfies this requirement by setting each Library Mail price element equal to 95 percent of its corresponding Media Mail price element. Notice at 20-21. The Public Representative states that the Postal Service fulfills the requirements of 39 U.S.C. § 3626. PR Comments at 15-16. No other commenter discusses compliance with 39 U.S.C. § 3626. The Commission finds that the prices for Media Mail and Library Mail comply with 39 U.S.C. § 3626(a)(7) because Library Mail prices are set as nearly as practicable to 95 percent of the corresponding Media Mail prices.

IX. SPECIAL SERVICES

A. Introduction

This section discusses the price adjustment authority and non-compensatory products applicable to Special Services. This section also discusses comments related to Special Services not addressed elsewhere in this Order. The proposed changes to the MCS for the Special Services class reflect the prices proposed in this proceeding, and thus the Commission does not include a separate discussion of MCS changes related to the Special Services class.⁴⁵ The changes to the MCS needed to reflect the planned new prices are shown in the Attachment to this Order.

B. Price Adjustment Authority

1. Introduction

Special Services consists of nine products: (1) Ancillary Services; (2) International Ancillary Services; (3) Address Management Services; (4) Caller Service; (5) Credit Card Authentication; (6) International Business Reply Mail Service; (7) Money Orders; (8) Post Office Box Service; and (9) Stamp Fulfillment Services.⁴⁶ The planned price increase for Special Services is, on average, 2.168 percent, which

⁴⁵ In the Response to CHIR No. 1, question 3, the Postal Service confirms that the Registered Mail price table in Attachment A was intended to be unchanged from the Registered Mail price table approved in Order No. 6526. Response to CHIR No. 1, question 3.a. See Notice, Attachment A at 62; Order No. 6526, Attachment at 82. The Commission notes that the version of this price table currently in the MCS posted on the Commission's website is incorrect. The Commission will update this price table to reflect the price table approved in Order No. 6526 in its next update. See Order No. 6526, Attachment at 82. Because no changes to Registered Mail are intended in this proceeding, this price table and the corresponding text are not included in the Attachment to this Order. See Response to CHIR No. 1, question 3.

⁴⁶ The Commission also notes that International Reply Coupon Service is considered a Special Services product but that it is not generally implicated in Market Dominant rate adjustment proceedings.

results in 0.001 percent remaining unused price adjustment authority.⁴⁷ Table IX-1 shows the percentage price change for each Special Services product as calculated by the Commission.

**Table IX-1
Special Services Price Changes (By Product)**

Special Services Product	Percent Change %
Ancillary Services*	2.066
International Ancillary Services	2.475
Address Management Services	1.370
Caller Service	1.305
Credit Card Authentication	0.000
International Business Reply Mail Service	1.942
Money Orders	4.658
Post Office Box Service	2.066
Stamp Fulfillment Services	2.567
Overall	2.168
<p>* See Library Reference PRC-LR-R2024-1-5 for the entire list of Ancillary Services and their respective price changes.</p> <p>Source: Library Reference PRC-LR-R2024-1-5, Excel file "R2024-1 Special Services CapCalc.xlsx."</p>	

⁴⁷ As shown in Table II-1, *supra*, the Postal Service has 2.169 percent in available pricing authority. Subtracting the 2.168 percent that the Postal Service is using in this proceeding from its available pricing authority results in 0.001 percent remaining as unused price adjustment authority. See Library Reference PRC-LR-R2024-1-5, Excel file "R2024-1 Special Services CapCalc.xlsx."

2. The Postal Service's Position

The Postal Service asserts that it complied with the applicable price cap requirements. See Notice at 3-5. The Postal Service states that “[t]o address issues identified in the last price change, Docket No. R2023-2, the Postal Service made corrections to billing determinants for multiple products[,]” which “correct compilation errors made when the billing determinants were originally filed.” *Id.* at 18. The Postal Service represents that “[e]ach correction is identified and supported in the preface for” Library Reference USPS-LR-R2024-1-5. *Id.* The Postal Service also proposes three additional adjustments to the hybrid year billing determinants for Special Services. *Id.* at 18-19. First, the Postal Service adjusts the billing determinants to reflect that Certified Mail and Certificates of Mailing are not available for USPS Ground Advantage. *Id.* at 18. Second, the Postal Service adjusts the billing determinants for Insurance to reflect that USPS Ground Advantage and USPS Ground Advantage Returns have \$100 of included insurance as a standard feature. *Id.* Third, the Postal Service adjusts the billing determinants for Registered Mail to reflect that the price for mailpieces with a declared value greater than \$50,000 are capped at the \$50,000 price. *Id.*

3. Comments

No commenter disputes that the proposed price adjustments comply with the price cap. The Public Representative asserts that the planned price adjustments comply with the requirements of the price cap and conform to the requirements of title 39 of the United States Code and 39 C.F.R. part 3030. PR Comments at 4, 10. PostCom also states the proposed prices comply with the price cap and do not exceed available pricing authority. PostCom Comments at 1.

4. Commission Analysis

The Commission finds that the Postal Service's price adjustments for Special Services comply with the price cap limitations specified by 39 C.F.R. part 3030. The

Postal Service's planned price adjustment of 2.168 percent is less than the total available authority of 2.169 percent; therefore, the total unused price adjustment authority available for Special Services after this proceeding is 0.001 percent. The Commission accepts the Postal Service's adjustments to the billing determinants for Special Services as reasonable.

C. Non-Compensatory Products

1. Introduction

In FY 2022, Money Orders was the only Special Services product that did not cover its attributable costs. FY 2022 ACD at 62. In FY 2022, it had a cost coverage of 99.2 percent. *Id.* In the FY 2022 ACD, the Commission reminded the Postal Service that "under 39 C.F.R. § 3030.221, the Postal Service must increase the price of Money Orders by at least 2 percentage points above the class average in each Market Dominant rate adjustment affecting the Special Services class through the issuance of the FY 2023 ACD." *Id.* at 64.

2. The Postal Service's Position

The Postal Service acknowledges that the Commission found that the Money Orders product did not cover its costs in FY 2022 and that it is required by 39 C.F.R. § 3030.221 to raise rates for this product by at least 2 percentage points above the class average. Notice at 17-18. The proposed percentage change in prices for Money Orders as a result of this proceeding is 4.658 percent. *Id.* at 17. The Postal Service states that the proposed price increase for Money Orders "amply complies" with the FY 2022 ACD. *Id.* at 18.

3. Comments

The Public Representative states that the proposed price increase for Money Orders complies with 39 C.F.R. § 3030.221. PR Comments at 17-18. No other commenters raise issues pertaining to Money Orders' status as a non-compensatory product.

4. Commission Analysis

As described in Section II., *supra*, there are two regulatory requirements specific to non-compensatory products in compensatory classes: (1) rates may not be reduced for non-compensatory products; and (2) rates for each non-compensatory product must increase by a minimum of 2 percentage points above the average percentage increase for its compensatory class.⁴⁸

In this price adjustment, the Postal Service has proposed a price increase for the Money Orders product of 4.658 percent, which is more than 2 percentage points above the Special Services class average increase of 2.168 percent. Notice at 17; Section IX.B., *supra*. This is consistent with the requirements of 39 C.F.R. § 3030.127(b) and 39 C.F.R. § 3030.221.

D. Other Comments Related to Special Services

1. Introduction

PostCom raises concerns related to Address Management Services that have not been addressed elsewhere in this section. PostCom Comments at 2-4.

⁴⁸ 39 C.F.R. § 3030.127(b); *id.* § 3030.221. See FY 2022 ACD at 64.

2. Comments

PostCom notes that the Special Services price increases include increases on many services within the Address Management Services product. PostCom Comments at 2. Although PostCom finds the proposed increases to be consistent with applicable law, PostCom expresses concern about the Postal Service's decision to expand the capabilities of the Intelligent Mail Small Business (IMsb) tool. *Id.* at 2-3. Specifically, PostCom explains that mail service providers (MSPs) who provide mail preparation services are subject to specific Postal Service requirements that necessitate purchasing various services within the Address Management Services product. *Id.* at 3. PostCom alleges that in expanding the IMsb tool and offering expanded free services to mailers, the Postal Service is now "in direct competition with MSPs who in some cases are already selling services to mailers who are now being courted to use the Postal Service's IMsb." *Id.* PostCom further alleges that in offering the IMsb tool for free, the Postal Service is offering a product below cost and that the Postal Service is advantaging itself by not having "to comply with the same requirements that comparable commercial services must" and by raising Address Management Services prices. *Id.* PostCom acknowledges that such issues have generally been considered to be outside the scope of rate adjustment proceedings and therefore suggests that the Commission "consider whether a proceeding is necessary to consider whether the Postal Service's fees for Address Management Services are being used to unfairly compete against private sector companies." *Id.* at 3-4.

3. Commission Analysis

The Commission's review in this proceeding is limited to ensuring the proposed prices comply with the requirements of 39 C.F.R. part 3030, Commission directives and orders, and 39 U.S.C. §§ 3626, 3627, and 3629, which the proposed price adjustments for Special Services do, and PostCom concedes. 39 C.F.R. § 3030.126(b); see PostCom Comments at 2. PostCom also acknowledges that its concern about the

Postal Service's expansion of the capabilities of the IMsb tool would likely be considered outside the scope of this proceeding. See PostCom Comments at 3. The Commission agrees given PostCom's concern is unrelated to whether the proposed prices comply with the requirements of 39 C.F.R. part 3030, Commission directives and orders, and 39 U.S.C. §§ 3626, 3627, and 3629. A rate adjustment proceeding, in which the Commission issues a final order within 21 days after comments are filed, cannot be expected to be a forum to address issues unrelated to the proposed rates that arise in the first instance in comments. See 39 C.F.R. § 3030.126(b). Should PostCom want the Commission to review its concern, it should make a filing in an appropriate proceeding, or move to initiate a new one.

X. ORDERING PARAGRAPHS

It is ordered:

1. The Commission finds that the Postal Service's planned price adjustments relating to First-Class Mail are consistent with applicable law and may take effect as planned.
2. The Commission finds that the Postal Service's planned price adjustments relating to USPS Marketing Mail are consistent with applicable law and may take effect as planned.
3. The Commission finds that the Postal Service's planned price adjustments relating to Periodicals are consistent with applicable law and may take effect as planned.
4. The Commission finds that the Postal Service's planned price adjustments relating to Package Services are consistent with applicable law and may take effect as planned.

5. The Commission finds that the Postal Service's planned price adjustments relating to Special Services are consistent with applicable law and may take effect as planned.
6. Revisions to the Mail Classification Schedule appear below the signature of this Order and are effective January 21, 2024.

By the Commission.

Erica A. Barker
Secretary

CHANGES TO THE MAIL CLASSIFICATION SCHEDULE

The following material represents a change to the Mail Classification Schedule. The Commission uses two main conventions when making changes to the Mail Classification Schedule. New text is underlined. Deleted text is struck through.

Part A—Market Dominant Products

- 1100** **First-Class Mail**

- 1105** **Single-Piece Letters/Postcards**

- 1105.5 Prices

Single-Piece Machinable Stamped Letters^{1, 2, 3}

Maximum Weight (ounces)	Machinable Letters (\$)
1	<u>0.68</u>
2	<u>0.92</u>
3	<u>1.16</u>
3.5	<u>1.40</u>

Single-Piece Machinable Metered Letters

Maximum Weight (ounces)	Machinable Letters (\$)
1	<u>0.64</u>
2	<u>0.88</u>
3	<u>1.12</u>
3.5	<u>1.36</u>

*First-Class Mail
Single-Piece Letters/Postcards*

Single-Piece Nonmachinable Stamped Letters¹

Maximum Weight (ounces)	Nonmachinable Letters (\$)
1	<u>1.12</u>
2	<u>1.36</u>
3	<u>1.60</u>
3.5	<u>1.84</u>

Single-Piece Nonmachinable Metered Letters

Maximum Weight (ounces)	Nonmachinable Letters (\$)
1	<u>1.08</u>
2	<u>1.32</u>
3	<u>1.56</u>
3.5	<u>1.80</u>

Single-Piece QBRM Letters

Maximum Weight (ounces)	QBRM Letters (\$)
3.5	<u>0.659</u>

*First-Class Mail
Single-Piece Letters/Postcards*

Single-Piece Residual Machinable Letters

Maximum Weight (ounces)	Residual Machinable Letters (\$)
1	<u>0.68</u> ¹
2	<u>0.68</u> ¹
3	<u>0.68</u> ¹
3.5	<u>0.68</u> ¹

Single-Piece Postcards^{1, 2}

Maximum Weight (ounces)	Postcards (\$)	Single-Piece Double Card (\$)
not applicable	<u>0.53</u>	<u>1.06</u>

Single-Piece QBRM Postcards

Maximum Weight (ounces)	QBRM Postcards (\$)
not applicable	<u>0.509</u>

Share Mail Letters and Postcards^{1, 2}

Maximum Weight (ounces)	Share Mail Letters (\$)	Share Mail Postcards (\$)
1	<u>0.72</u>	<u>0.57</u>

*First-Class Mail
Presorted Letters/Postcards*

1110 Presorted Letters/Postcards

1110.5 Prices

Automation Letters

Maximum Weight (ounces)	5-Digit (\$)	AADC (\$)	Mixed AADC (\$)
1	<u>0.507</u>	<u>0.547</u>	<u>0.571</u>
2	<u>0.507</u>	<u>0.547</u>	<u>0.571</u>
3	<u>0.507</u>	<u>0.547</u>	<u>0.571</u>
3.5	<u>0.507</u>	<u>0.547</u>	<u>0.571</u>

Nonautomation Presorted Machinable Letters

Maximum Weight (ounces)	AADC (\$)	Mixed AADC (\$)
1	<u>0.553</u>	<u>0.586</u>
2	<u>0.553</u>	<u>0.586</u>
3	<u>0.553</u>	<u>0.586</u>
3.5	<u>0.553</u>	<u>0.586</u>

Nonmachinable Letters

Maximum Weight (ounces)	5-Digit (\$)	3-Digit (\$)	Mixed ADC (\$)
1	<u>0.716</u>	<u>0.823</u>	<u>0.943</u>
2	<u>0.716</u>	<u>0.823</u>	<u>0.943</u>
3	<u>0.716</u>	<u>0.823</u>	<u>0.943</u>
3.5	<u>0.716</u>	<u>0.823</u>	<u>0.943</u>

*First-Class Mail
Presorted Letters/Postcards*

Automation Postcards

Maximum Weight (ounces)	5-Digit (\$)	AADC (\$)	Mixed AADC (\$)
not applicable	<u>0.357</u>	<u>0.378</u>	<u>0.390</u>

Nonautomation Presorted Machinable Postcards

Maximum Weight (ounces)	Presorted (\$)
not applicable	<u>0.406</u>

*First-Class Mail
Flats*

1115 Flats

1115.5 Prices

Automation Flats

Maximum Weight (ounces)	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
1	<u>0.841</u>	<u>1.047</u>	<u>1.108</u>	<u>1.244</u>
2	<u>1.081</u>	<u>1.287</u>	<u>1.348</u>	<u>1.484</u>
3	<u>1.321</u>	<u>1.527</u>	<u>1.588</u>	<u>1.724</u>
4	<u>1.561</u>	<u>1.767</u>	<u>1.828</u>	<u>1.964</u>
5	<u>1.801</u>	<u>2.007</u>	<u>2.068</u>	<u>2.204</u>
6	<u>2.041</u>	<u>2.247</u>	<u>2.308</u>	<u>2.444</u>
7	<u>2.281</u>	<u>2.487</u>	<u>2.548</u>	<u>2.684</u>
8	<u>2.521</u>	<u>2.727</u>	<u>2.788</u>	<u>2.924</u>
9	<u>2.761</u>	<u>2.967</u>	<u>3.028</u>	<u>3.164</u>
10	<u>3.001</u>	<u>3.207</u>	<u>3.268</u>	<u>3.404</u>
11	<u>3.241</u>	<u>3.447</u>	<u>3.508</u>	<u>3.644</u>
12	<u>3.481</u>	<u>3.687</u>	<u>3.748</u>	<u>3.884</u>
13	<u>3.721</u>	<u>3.927</u>	<u>3.988</u>	<u>4.124</u>

*First-Class Mail
Flats**Presorted Flats*

Maximum Weight (ounces)	Presorted (\$)
1	<u>1.300</u>
2	<u>1.540</u>
3	<u>1.780</u>
4	<u>2.020</u>
5	<u>2.260</u>
6	<u>2.500</u>
7	<u>2.740</u>
8	<u>2.980</u>
9	<u>3.220</u>
10	<u>3.460</u>
11	<u>3.700</u>
12	<u>3.940</u>
13	<u>4.180</u>

Single-Piece Flats¹

Maximum Weight (ounces)	Single-Piece (\$)
1	<u>1.39</u>
2	<u>1.63</u>
3	<u>1.87</u>
4	<u>2.11</u>
5	<u>2.35</u>
6	<u>2.59</u>
7	<u>2.83</u>
8	<u>3.07</u>
9	<u>3.31</u>
10	<u>3.55</u>
11	<u>3.79</u>
12	<u>4.03</u>
13	<u>4.27</u>

*First-Class Mail
Flats**Keys and Identification Devices*

Maximum Weight (ounces)	Keys and Identification Devices (\$)
1	4.15
2	4.39
3	4.63
4	4.87
5	5.11
6	5.35
7	5.59
8	5.83
9	6.07
10	6.31
11	6.55
12	6.79
13	7.03
1 (pound)	Priority Mail Retail Zone 4 postage plus <u>1.07</u>
2 (pounds)	Priority Mail Retail Zone 4 postage plus <u>1.07</u>

*First-Class Mail
Outbound Single-Piece First-Class Mail International*

1125 Outbound Single-Piece First-Class Mail International

1125.6 Prices

Machinable Letters¹

Maximum Weight (ounces)	Country Price Group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
1	<u>1.55</u>	<u>1.55</u>	<u>1.55</u>	<u>1.55</u>	<u>1.55</u>	<u>1.55</u>	<u>1.55</u>	<u>1.55</u>	<u>1.55</u>
2	<u>1.55</u>	<u>2.35</u>	2.80	2.80	2.80	<u>2.80</u>	<u>2.80</u>	<u>2.80</u>	<u>2.80</u>
3	<u>2.22</u>	<u>3.10</u>	4.10	4.10	4.10	<u>4.10</u>	<u>4.10</u>	<u>4.10</u>	<u>4.10</u>
3.5	<u>2.84</u>	<u>3.89</u>	5.40	5.40	5.40	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>	<u>5.40</u>

Nonmachinable Letters

Maximum Weight (ounces)	Country Price Group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
1	<u>1.99</u>	<u>1.99</u>	<u>1.99</u>	<u>1.99</u>	<u>1.99</u>	<u>1.99</u>	<u>1.99</u>	<u>1.99</u>	<u>1.99</u>
2	<u>1.99</u>	<u>2.79</u>	<u>3.24</u>	<u>3.24</u>	<u>3.24</u>	<u>3.24</u>	<u>3.24</u>	<u>3.24</u>	<u>3.24</u>
3	<u>2.66</u>	<u>3.54</u>	<u>4.54</u>	<u>4.54</u>	<u>4.54</u>	<u>4.54</u>	<u>4.54</u>	<u>4.54</u>	<u>4.54</u>
3.5	<u>3.28</u>	<u>4.33</u>	<u>5.84</u>	<u>5.84</u>	<u>5.84</u>	<u>5.84</u>	<u>5.84</u>	<u>5.84</u>	<u>5.84</u>

Postcards

Maximum Weight (ounces)	Canada (\$)	Mexico (\$)	All Other Countries (\$)
not applicable	<u>1.55</u>	<u>1.55</u>	<u>1.55</u>

*First-Class Mail
Outbound Single-Piece First-Class Mail International*

Large Envelopes (Flats)

Maximum Weight (ounces)	Country Price Group								
	1 (\$)	2 (\$)	3 (\$)	4 (\$)	5 (\$)	6 (\$)	7 (\$)	8 (\$)	9 (\$)
1	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
2	<u>3.35</u>	<u>3.98</u>	4.23	4.23	4.23	<u>4.23</u>	<u>4.23</u>	<u>4.23</u>	<u>4.23</u>
3	<u>3.64</u>	<u>4.87</u>	5.45	5.45	5.45	<u>5.45</u>	<u>5.45</u>	<u>5.45</u>	<u>5.45</u>
4	<u>3.89</u>	<u>5.78</u>	6.71	6.71	6.71	<u>6.71</u>	<u>6.71</u>	<u>6.71</u>	<u>6.71</u>
5	<u>4.18</u>	<u>6.69</u>	7.93	7.93	7.93	<u>7.93</u>	<u>7.93</u>	<u>7.93</u>	<u>7.93</u>
6	<u>4.46</u>	<u>7.58</u>	9.16	9.16	9.16	<u>9.16</u>	<u>9.16</u>	<u>9.16</u>	<u>9.16</u>
7	<u>4.74</u>	<u>8.50</u>	10.39	10.39	10.39	<u>10.39</u>	<u>10.39</u>	<u>10.39</u>	<u>10.39</u>
8	<u>5.02</u>	<u>9.40</u>	11.61	11.61	11.61	<u>11.61</u>	<u>11.61</u>	<u>11.61</u>	<u>11.61</u>
12	<u>6.41</u>	<u>11.35</u>	14.08	14.08	14.08	<u>14.08</u>	<u>14.08</u>	<u>14.08</u>	<u>14.08</u>
15.994	<u>7.80</u>	<u>13.30</u>	16.54	16.54	16.54	<u>16.54</u>	<u>16.54</u>	<u>16.54</u>	<u>16.54</u>

USPS Marketing Mail (Commercial and Nonprofit)
High Density and Saturation Letters

1200 **USPS Marketing Mail (Commercial and Nonprofit)**

1205 **High Density and Saturation Letters**

1205.6 Prices

Saturation Letters (3.5 ounces or less)

Entry Point	Commercial (\$)	Nonprofit (\$)
Origin	<u>0.229</u>	<u>0.147</u>
DNDC	<u>0.202</u>	<u>0.120</u>
DSCF	<u>0.194</u>	<u>0.112</u>

High Density Plus Letters (3.5 ounces or less)

Entry Point	Commercial (\$)	Nonprofit (\$)
Origin	<u>0.264</u>	<u>0.168</u>
DNDC	<u>0.237</u>	<u>0.141</u>
DSCF	<u>0.229</u>	<u>0.133</u>

High Density Letters (3.5 ounces or less)

Entry Point	Commercial (\$)	Nonprofit (\$)
Origin	<u>0.321</u>	<u>0.170</u>
DNDC	<u>0.294</u>	<u>0.143</u>
DSCF	<u>0.286</u>	<u>0.135</u>

Containerization Discounts

Saturation Letter-shaped pieces prepared on a SCF or Finer Presort Pallet receive a discount of \$0.0030-002.

High Density Plus Letter-shaped pieces prepared on a SCF or Finer Presort Pallet receive a discount of \$0.0030-002.

High Density Letter-shaped pieces prepared on a SCF or Finer Presort Pallet receive a discount of \$0.0030-002.

*USPS Marketing Mail (Commercial and Nonprofit)
High Density and Saturation Letters*

Forwarding-and-Return Service

If Forwarding Service is used in conjunction with electronic or automated Address Correction Service, forwarded letters pay \$0.620-60 per piece. All other letters requesting Forwarding-and-Return Service that are returned are charged the appropriate First-Class Mail price for the piece multiplied by a factor of 2.472.

USPS Marketing Mail (Commercial and Nonprofit)
High Density and Saturation Flats/Parcels

1210 High Density and Saturation Flats/Parcels

1210.6 Prices

Saturation Flats

a. Per Piece

Entry Point	Commercial (\$)		Nonprofit (\$)	
	EDDM	Other	EDDM	Other
Origin	<u>0.306</u>	<u>0.305</u>	<u>0.215</u>	<u>0.214</u>
DNDC	<u>0.235</u>	<u>0.234</u>	<u>0.144</u>	<u>0.143</u>
DSCF	<u>0.215</u>	<u>0.214</u>	<u>0.124</u>	<u>0.123</u>
DDU	<u>0.202</u>	<u>0.201</u>	<u>0.111</u>	<u>0.110</u>

Saturation Parcels

a. Per Piece

Mailing Volume Tier	Commercial		Nonprofit	
	Small (\$)	Large (\$)	Small (\$)	Large (\$)
0-200,000	<u>0.441</u>	<u>0.508</u>	<u>0.330</u>	<u>0.381</u>
200,001 and above	<u>0.423</u>	<u>0.492</u>	<u>0.319</u>	<u>0.368</u>

b. Handling Fees for DNDC/DSCF Entry

Entry Point/ Presort	Commercial (\$)	Nonprofit (\$)
	Pallet	Pallet
DNDC – 3-Digit	<u>77.202</u>	<u>61.761</u>
DNDC – 5-Digit	<u>125.526</u>	<u>100.421</u>
DSCF – 5-Digit	<u>58.811</u>	<u>47.217</u>
Pallet Presort	Carton/Sack	Carton/Sack
3-Digit	<u>10.513</u>	<u>8.567</u>

*USPS Marketing Mail (Commercial and Nonprofit)
High Density and Saturation Flats/Parcels*

High Density Plus Flats

a. Per Piece

Entry Point	Commercial (\$)	Nonprofit (\$)
Origin	<u>0.334</u>	<u>0.240</u>
DNDC	<u>0.263</u>	<u>0.169</u>
DSCF	<u>0.243</u>	<u>0.149</u>
DDU	<u>0.230</u>	<u>0.136</u>

High Density Flats

a. Per Piece

Entry Point	Commercial (\$)	Nonprofit (\$)
Origin	<u>0.407</u>	<u>0.306</u>
DNDC	<u>0.336</u>	<u>0.235</u>
DSCF	<u>0.316</u>	<u>0.215</u>
DDU	<u>0.303</u>	<u>0.202</u>

b. Per Pound

Entry Point	Commercial (\$)	Nonprofit (\$)
Origin	<u>0.776</u>	<u>0.513</u>
DNDC	<u>0.776</u>	<u>0.513</u>
DSCF	<u>0.776</u>	<u>0.513</u>
DDU	<u>0.776</u>	<u>0.513</u>

Containerization Discounts

*USPS Marketing Mail (Commercial and Nonprofit)
High Density and Saturation Flats/Parcels*

Saturation and EDDM Flat-shaped pieces in a 5-Digit or 5-Digit Scheme Container receive a discount of ~~\$0.0140-044~~.

High Density Plus Flat-shaped pieces in a 5-Digit or 5-Digit Scheme Container receive a discount of ~~\$0.0180-045~~.

High Density Flat-shaped pieces in a 5-Digit or 5-Digit Scheme Container receive a discount of ~~\$0.0220-048~~.

Saturation and EDDM Flat-shaped pieces prepared on a SCF Pallet receive a discount of ~~\$0.0040-003~~.

High Density Plus Flat-shaped pieces on a SCF Pallet receive a discount of ~~\$0.0110-009~~.

High Density Flat-shaped pieces on a SCF Pallet receive a discount of ~~\$0.0120-040~~.

Saturation, High Density Plus, and High Density Letter-shaped pieces on an SCF or Finer Presort Pallet receive a discount of ~~\$0.0030-002~~.

Flat-shaped pieces including a Detached Address Label

Add \$0.075 for each piece addressed using a Detached Address Label with no advertising, and ~~\$0.1000-095~~ for each piece using a Detached Address Label containing advertising (Detached Marketing Label).

Forwarding-and-Return Service

If Forwarding Service is used in conjunction with electronic Address Correction Service, forwarded flats pay ~~\$2.052-02~~ per piece and forwarded parcels pay ~~\$8.197-66~~ per piece. All other pieces requesting Forwarding-and-Return Service that are returned are charged the appropriate First-Class Mail or USPS Ground Advantage price for the piece multiplied by a factor of 2.472.

USPS Marketing Mail (Commercial and Nonprofit)
Carrier Route

1215 Carrier Route

1215.6 Prices

Carrier Route Letters (3.5 ounces or less)

Entry Point	Commercial (\$)	Nonprofit (\$)
Origin	<u>0.547</u>	<u>0.396</u>
DNDC	<u>0.520</u>	<u>0.369</u>
DSCF	<u>0.512</u>	<u>0.361</u>

Carrier Route Flats

a. Per Piece

Entry Point	Commercial (\$)	Nonprofit (\$)
Origin	<u>0.485</u>	<u>0.384</u>
DNDC	<u>0.414</u>	<u>0.313</u>
DSCF	<u>0.394</u>	<u>0.293</u>
DDU	<u>0.381</u>	<u>0.280</u>

b. Per Pound

Entry Point	Commercial (\$)	Nonprofit (\$)
Origin	<u>0.776</u>	<u>0.513</u>
DNDC	<u>0.776</u>	<u>0.513</u>
DSCF	<u>0.776</u>	<u>0.513</u>
DDU	<u>0.776</u>	<u>0.513</u>

USPS Marketing Mail (Commercial and Nonprofit)
Carrier Route

Carrier Route Parcels

a. Per Piece

Mailing Volume Tier	Commercial		Nonprofit	
	Small (\$)	Large (\$)	Small (\$)	Large (\$)
0-200,000	<u>0.611</u>	<u>0.676</u>	<u>0.458</u>	<u>0.508</u>
200,001 and above	<u>0.592</u>	<u>0.658</u>	<u>0.446</u>	<u>0.495</u>

b. Handling Fees for DNDC/DSCF Entry

	Commercial (\$)	Nonprofit (\$)
Entry Point/ Presort	Pallet	Pallet
DNDC – 3-Digit	<u>77.202</u>	<u>61.761</u>
DNDC – 5-Digit	<u>125.526</u>	<u>100.421</u>
DSCF – 5-Digit	<u>58.811</u>	<u>47.217</u>
Pallet Presort	Carton/Sack	Carton/Sack
3-Digit	<u>10.513</u>	<u>8.567</u>

Containerization Discounts

Carrier Route Letter-shaped pieces prepared on a SCF or Finer Presort Pallet receive a discount of ~~\$0.0030~~0.002.

Carrier Route Flat-shaped pieces in a 5-Digit or 5-Digit Scheme Container receive a discount of ~~\$0.0270~~0.024.

Carrier Route Flat-shaped pieces on a SCF Pallet receive a discount of ~~\$0.0170~~0.014.

*USPS Marketing Mail (Commercial and Nonprofit)
Carrier Route*

Forwarding-and-Return Service

If Forwarding Service is used in conjunction with electronic or automated Address Correction Service, forwarded letters pay ~~\$0.620~~.60 per piece, forwarded flats pay ~~\$2.052~~.02 per piece, and forwarded parcels pay ~~\$8.197~~.66 per piece. All other pieces requesting Forwarding-and-Return Service that are returned are charged the appropriate First-Class Mail or USPS Ground Advantage price for the piece multiplied by a factor of 2.472.

USPS Marketing Mail (Commercial and Nonprofit)
Letters

1220 Letters

1220.6 Prices

Automation Letters (3.5 ounces or less)

Entry Point	Commercial			Nonprofit		
	5-Digit (\$)	AADC (\$)	Mixed AADC (\$)	5-Digit (\$)	AADC (\$)	Mixed AADC (\$)
Origin	<u>0.330</u>	<u>0.365</u>	<u>0.385</u>	<u>0.173</u>	<u>0.208</u>	<u>0.228</u>
DNDC	<u>0.303</u>	<u>0.338</u>	<u>0.358</u>	<u>0.146</u>	<u>0.181</u>	<u>0.201</u>
DSCF	<u>0.295</u>	<u>0.330</u>		<u>0.138</u>	<u>0.173</u>	

Machinable Letters (3.5 ounces or less)

Entry Point	Commercial		Nonprofit	
	AADC (\$)	Mixed AADC (\$)	AADC (\$)	Mixed AADC (\$)
Origin	<u>0.365</u>	<u>0.391</u>	0.208	<u>0.234</u>
DNDC	<u>0.338</u>	<u>0.364</u>	0.181	<u>0.207</u>
DSCF	<u>0.330</u>		0.173	

Forwarding-and-Return Service

If Forwarding Service is used in conjunction with electronic or automated Address Correction Service, forwarded letters pay ~~\$0.620~~ \$0.60 per piece. All other letters requesting Forwarding-and-Return Service that are returned are charged the appropriate First-Class Mail price for the piece multiplied by a factor of 2.472.

USPS Marketing Mail (Commercial and Nonprofit)
Flats

1225 Flats

1225.6 Prices

Automation Flats

a. Per Piece

Commercial				
Entry Point	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	<u>0.639</u>	<u>0.816</u>	<u>0.923</u>	<u>1.006</u>
DNDC	<u>0.568</u>	<u>0.745</u>	<u>0.852</u>	<u>0.935</u>
DSCF	<u>0.548</u>	<u>0.725</u>	<u>0.832</u>	

Nonprofit				
Entry Point	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	<u>0.400</u>	<u>0.577</u>	<u>0.684</u>	<u>0.767</u>
DNDC	<u>0.329</u>	<u>0.506</u>	<u>0.613</u>	<u>0.696</u>
DSCF	<u>0.309</u>	<u>0.486</u>	<u>0.593</u>	

USPS Marketing Mail (Commercial and Nonprofit)
Flats

b. Per Pound

Commercial				
Entry Point	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	<u>0.901</u>	<u>0.901</u>	<u>0.901</u>	<u>0.901</u>
DNDC	<u>0.901</u>	<u>0.901</u>	<u>0.901</u>	<u>0.901</u>
DSCF	<u>0.901</u>	<u>0.901</u>	<u>0.901</u>	

Nonprofit				
Entry Point	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	<u>0.707</u>	<u>0.707</u>	<u>0.707</u>	<u>0.707</u>
DNDC	<u>0.707</u>	<u>0.707</u>	<u>0.707</u>	<u>0.707</u>
DSCF	<u>0.707</u>	<u>0.707</u>	<u>0.707</u>	

USPS Marketing Mail (Commercial and Nonprofit)
Flats

Nonautomation Flats

a. Per Piece

Commercial				
Entry Point	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	<u>0.735</u>	<u>0.882</u>	<u>0.946</u>	<u>1.037</u>
DNDC	<u>0.664</u>	<u>0.811</u>	<u>0.875</u>	<u>0.966</u>
DSCF	<u>0.644</u>	<u>0.791</u>	<u>0.855</u>	

Nonprofit				
Entry Point	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	<u>0.496</u>	<u>0.643</u>	<u>0.707</u>	<u>0.798</u>
DNDC	<u>0.425</u>	<u>0.572</u>	<u>0.636</u>	<u>0.727</u>
DSCF	<u>0.405</u>	<u>0.552</u>	<u>0.616</u>	

b. Per Pound

Commercial				
Entry Point	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	<u>0.901</u>	<u>0.901</u>	<u>0.901</u>	<u>0.901</u>
DNDC	<u>0.901</u>	<u>0.901</u>	<u>0.901</u>	<u>0.901</u>
DSCF	<u>0.901</u>	<u>0.901</u>	<u>0.901</u>	

Nonprofit				
Entry Point	5-Digit (\$)	3-Digit (\$)	ADC (\$)	Mixed ADC (\$)
Origin	<u>0.707</u>	<u>0.707</u>	<u>0.707</u>	<u>0.707</u>
DNDC	<u>0.707</u>	<u>0.707</u>	<u>0.707</u>	<u>0.707</u>
DSCF	<u>0.707</u>	<u>0.707</u>	<u>0.707</u>	

*USPS Marketing Mail (Commercial and Nonprofit)
Flats*

Customized MarketMail Prices

	Commercial (\$)	Nonprofit (\$)
Per Piece	<u>0.615</u>	<u>0.455</u>

Containerization Discounts

Qualifying ADC 3-Digit and 5-Digit (Automation and Nonautomation) Flat-shaped pieces on a SCF Pallet receive a discount of ~~\$0.0210-017~~.

Forwarding-and-Return Service

If Forwarding Service is used in conjunction with electronic Address Correction Service, forwarded flats pay ~~\$2.052-02~~ per piece. All other flats requesting Forwarding-and-Return Service that are returned are charged the appropriate First-Class Mail price for the piece multiplied by a factor of 2.472.

USPS Marketing Mail (Commercial and Nonprofit)
Parcels

1230 **Parcels**

1230.6 Prices

Marketing Parcels (3.3 ounces or less)

Entry Point	Commercial				Nonprofit			
	5-Digit	SCF	NDC	Mixed NDC	5-Digit	SCF	NDC	Mixed NDC
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Origin			<u>3.211</u>	<u>3.746</u>			<u>3.045</u>	<u>3.580</u>
DNDC	<u>1.918</u>	<u>2.905</u>	<u>3.146</u>		<u>1.752</u>	<u>2.739</u>	<u>2.980</u>	
DSCF	<u>1.894</u>	<u>2.881</u>			<u>1.728</u>	<u>2.715</u>		
DDU	<u>1.856</u>				<u>1.690</u>			

USPS Marketing Mail (Commercial and Nonprofit)
Parcels

Marketing Parcels (greater than 3.3 ounces)

a. Per Piece

	Commercial				Nonprofit			
	5-Digit	SCF	NDC	Mixed NDC	5-Digit	SCF	NDC	Mixed NDC
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Per Piece	<u>1.520</u>	<u>2.507</u>	<u>2.748</u>	<u>3.283</u>	<u>1.400</u>	<u>2.387</u>	<u>2.628</u>	<u>3.163</u>

b. Per Pound

Entry Point	Commercial				Nonprofit			
	5-Digit	SCF	NDC	Mixed NDC	5-Digit	SCF	NDC	Mixed NDC
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Origin			<u>2.245</u>	<u>2.245</u>			<u>2.022</u>	<u>2.022</u>
DNDC	<u>1.931</u>	<u>1.931</u>	<u>1.931</u>		<u>1.708</u>	<u>1.708</u>	<u>1.708</u>	
DSCF	<u>1.812</u>	<u>1.812</u>			<u>1.589</u>	<u>1.589</u>		
DDU	<u>1.630</u>				<u>1.407</u>			

USPS Marketing Mail (Commercial and Nonprofit)
Parcels

Nonprofit Machinable Parcels Prices (3.5 ounces or more)

a. Per Piece

	5-Digit (\$)	NDC (\$)	Mixed NDC (\$)
Per Piece	<u>1.853</u>	<u>2.782</u>	<u>3.501</u>

b. Per Pound

Entry Point	5-Digit (\$)	NDC (\$)	Mixed NDC (\$)
Origin		<u>1.952</u>	<u>1.952</u>
DNDC	<u>1.627</u>	<u>1.627</u>	
DSCF	<u>1.472</u>		
DDU	<u>1.294</u>		

Nonprofit Irregular Parcels (3.3 ounces or less)

Entry Point	5-Digit (\$)	SCF (\$)	NDC (\$)	Mixed NDC (\$)
Origin			<u>3.810</u>	<u>4.044</u>
DNDC	<u>2.189</u>	<u>3.232</u>	<u>3.743</u>	
DSCF	<u>2.157</u>	<u>3.200</u>		
DDU	<u>2.120</u>			

USPS Marketing Mail (Commercial and Nonprofit)
Parcels

Nonprofit Irregular Parcels (greater than 3.3 ounces)

a. Per Piece

Entry Point	5-Digit (\$)	SCF (\$)	NDC (\$)	Mixed NDC (\$)
Per Piece	<u>1.853</u>	<u>2.896</u>	<u>3.407</u>	<u>3.641</u>

b. Per Pound

Entry Point	5-Digit (\$)	SCF (\$)	NDC (\$)	Mixed NDC (\$)
Origin			<u>1.952</u>	<u>1.952</u>
DNDC	<u>1.627</u>	<u>1.627</u>	<u>1.627</u>	
DSCF	<u>1.472</u>	<u>1.472</u>		
DDU	<u>1.294</u>			

Forwarding-and-Return Service

If Forwarding Service is used in conjunction with electronic Address Correction Service, forwarded parcels pay \$8.197.66 per piece. All other parcels requesting Forwarding-and-Return Service that are returned are charged the appropriate USPS Ground Advantage or Priority Mail price for the piece multiplied by a factor of 2.472.

*USPS Marketing Mail (Commercial and Nonprofit)
Every Door Direct Mail—Retail*

1235 Every Door Direct Mail—Retail

1235.6 Prices

Saturation Flats (3.3 ounces or less)

Entry Point	(\$)
DDU	<u>0.203</u>

1300 Periodicals

1305 In-County Periodicals

1305.6 Prices

In-County Automation

Charges are computed by multiplying the number of pieces in the mailing by the applicable per-piece price, multiplying the number of pounds of the mailing by the applicable per-pound price, and adding both totals.

a. Pound Prices (per pound or fraction thereof)

b. Piece Prices (per addressed piece)

Presort Level	Letters (\$)	Flats (\$)
5-Digit	0.059	<u>0.283</u>
3-Digit	0.083	<u>0.363</u>
Basic	0.091	<u>0.400</u>

In-County Nonautomation

a. Pound Prices (per pound or fraction thereof)

b. Piece Prices (per addressed piece)

Presort Level	Letters, Flats, and Parcels (\$)
Carrier Route Saturation	0.041
Carrier Route High Density	<u>0.076</u>
Carrier Route Basic	<u>0.110</u>
5-Digit	<u>0.335</u>
3-Digit	<u>0.428</u>
Basic	<u>0.482</u>

Periodicals
Outside County Periodicals

1310 **Outside County Periodicals**

1310.6 Prices

Pound Prices (per pound or fraction thereof)

Piece Price (per addressed piece)

a. Carrier Route Letters, Flats, and Parcels

Bundle Level	Letters, Flats, and Parcels (\$)
Saturation	<u>0.194</u>
High Density	<u>0.230</u>
Basic	<u>0.264</u>

*Periodicals
Outside County Periodicals*

b. Barcoded Letters

Bundle Level	Barcoded Letters (\$)
5-Digit	<u>0.319</u>
3-Digit/SCF	<u>0.343</u>
ADC	<u>0.349</u>
Mixed ADC	<u>0.368</u>

c. Machinable Flats and Nonbarcoded Letters

Bundle Level	Barcoded Flats (\$)	Nonbarcoded Flats (\$)	Nonbarcoded Letters (\$)
5-Digit	<u>0.465</u>	<u>0.485</u>	<u>0.485</u>
3-Digit/SCF	<u>0.596</u>	<u>0.634</u>	<u>0.634</u>
ADC	<u>0.636</u>	<u>0.683</u>	<u>0.683</u>
Mixed ADC	<u>0.700</u>	<u>0.763</u>	<u>0.763</u>

d. Nonmachinable Flats and Parcels

Bundle Level	Barcoded Flats (\$)	Nonbarcoded Flats (\$)	Parcels (\$)
5-Digit	<u>0.721</u>	<u>0.723</u>	<u>0.723</u>
3-Digit/SCF	<u>0.822</u>	<u>0.822</u>	<u>0.822</u>
ADC	<u>0.870</u>	<u>0.876</u>	<u>0.876</u>
Mixed ADC	<u>0.995</u>	<u>0.995</u>	<u>0.995</u>

e. Editorial Adjustment

f. Firm Bundle Piece Price

C. Tray Container

Entry Point	Carrier Route/ 5-Digit (\$)	3-Digit/SCF (\$)	ADC (\$)	Mixed ADC (\$)
DDU	1.515			
DSCF	2.313	1.423		
DADC	3.297	2.776	1.489	
DNDC	3.673	<u>2.812</u>	2.677	
Origin	4.687	3.906	4.037	1.680

*Package Services
Bound Printed Matter Flats*

1400 Package Services

1415 Bound Printed Matter Flats

1415.6 Prices

Carrier Route

	DDU (\$)	DSCF (\$)	DNDC (\$)	Origin Entry (\$)
Per Piece	<u>0.441</u>	<u>0.666</u>	<u>1.305</u>	<u>1.431</u>
Per Pound	<u>0.063</u>	<u>0.063</u>	<u>0.063</u>	<u>0.063</u>

Presorted

1. Destination Entry¹

	DDU (\$)	DSCF (\$)	DNDC (\$)	Origin Entry (\$)
Per Piece	<u>0.596</u>	<u>0.821</u>	<u>1.460</u>	<u>1.586</u>
Per Pound	<u>0.063</u>	<u>0.063</u>	<u>0.063</u>	<u>0.063</u>

*Package Services
Bound Printed Matter Flats*

Nonpresorted

Maximum Weight (pounds)	(\$)
1.0	<u>2.46</u>
1.5	<u>2.59</u>
2.0	<u>2.74</u>
2.5	<u>2.89</u>
3.0	<u>3.04</u>
3.5	<u>3.21</u>
4.0	<u>3.40</u>
4.5	<u>3.57</u>
5.0	<u>3.78</u>
6.0	<u>3.98</u>
7.0	<u>4.21</u>
8.0	<u>4.44</u>
9.0	<u>4.68</u>
10.0	<u>4.93</u>
11.0	<u>5.21</u>
12.0	<u>5.49</u>
13.0	<u>5.80</u>
14.0	<u>6.10</u>
15.0	<u>6.45</u>

1420 **Bound Printed Matter Parcels**

1420.4 Price Categories

The following price categories are available for the product specified in this section:

- Carrier Route

⊖ ~~Zones 1-9~~

- Presorted

⊖ ~~Zones 1-9~~

Package Services
Media Mail/Library Mail

1425 Media Mail/Library Mail

1425.6 Prices

Media Mail

Maximum Weight (pounds)	5-Digit (\$)	Basic (\$)	Single-Piece (\$)
1	<u>2.80</u>	<u>3.94</u>	<u>4.13</u>
2	<u>3.54</u>	<u>4.68</u>	<u>4.87</u>
3	<u>4.28</u>	<u>5.42</u>	<u>5.61</u>
4	<u>5.02</u>	<u>6.16</u>	<u>6.35</u>
5	<u>5.76</u>	<u>6.90</u>	<u>7.09</u>
6	<u>6.50</u>	<u>7.64</u>	<u>7.83</u>
7	<u>7.24</u>	<u>8.38</u>	<u>8.57</u>
8	<u>7.99</u>	<u>9.13</u>	<u>9.32</u>
9	<u>8.74</u>	<u>9.88</u>	<u>10.07</u>
10	<u>9.49</u>	<u>10.63</u>	<u>10.82</u>
11	<u>10.24</u>	<u>11.38</u>	<u>11.57</u>
12	<u>10.99</u>	<u>12.13</u>	<u>12.32</u>
13	<u>11.74</u>	<u>12.88</u>	<u>13.07</u>
14	<u>12.49</u>	<u>13.63</u>	<u>13.82</u>
15	<u>13.24</u>	<u>14.38</u>	<u>14.57</u>
16	<u>13.99</u>	<u>15.13</u>	<u>15.32</u>
17	<u>14.74</u>	<u>15.88</u>	<u>16.07</u>
18	<u>15.49</u>	<u>16.63</u>	<u>16.82</u>
19	<u>16.24</u>	<u>17.38</u>	<u>17.57</u>
20	<u>16.99</u>	<u>18.13</u>	<u>18.32</u>
21	<u>17.74</u>	<u>18.88</u>	<u>19.07</u>
22	<u>18.49</u>	<u>19.63</u>	<u>19.82</u>
23	<u>19.24</u>	<u>20.38</u>	<u>20.57</u>
24	<u>19.99</u>	<u>21.13</u>	<u>21.32</u>
25	<u>20.74</u>	<u>21.88</u>	<u>22.07</u>

Package Services
Media Mail/Library Mail*Media Mail (Continued)*

Maximum Weight (pounds)	5-Digit (\$)	Basic (\$)	Single-Piece (\$)
26	<u>21.49</u>	<u>22.63</u>	<u>22.82</u>
27	<u>22.24</u>	<u>23.38</u>	<u>23.57</u>
28	<u>22.99</u>	<u>24.13</u>	<u>24.32</u>
29	<u>23.74</u>	<u>24.88</u>	<u>25.07</u>
30	<u>24.49</u>	<u>25.63</u>	<u>25.82</u>
31	<u>25.24</u>	<u>26.38</u>	<u>26.57</u>
32	<u>25.99</u>	<u>27.13</u>	<u>27.32</u>
33	<u>26.74</u>	<u>27.88</u>	<u>28.07</u>
34	<u>27.49</u>	<u>28.63</u>	<u>28.82</u>
35	<u>28.24</u>	<u>29.38</u>	<u>29.57</u>
36	<u>28.99</u>	<u>30.13</u>	<u>30.32</u>
37	<u>29.74</u>	<u>30.88</u>	<u>31.07</u>
38	<u>30.49</u>	<u>31.63</u>	<u>31.82</u>
39	<u>31.24</u>	<u>32.38</u>	<u>32.57</u>
40	<u>31.99</u>	<u>33.13</u>	<u>33.32</u>
41	<u>32.74</u>	<u>33.88</u>	<u>34.07</u>
42	<u>33.49</u>	<u>34.63</u>	<u>34.82</u>
43	<u>34.24</u>	<u>35.38</u>	<u>35.57</u>
44	<u>34.99</u>	<u>36.13</u>	<u>36.32</u>
45	<u>35.74</u>	<u>36.88</u>	<u>37.07</u>
46	<u>36.49</u>	<u>37.63</u>	<u>37.82</u>
47	<u>37.24</u>	<u>38.38</u>	<u>38.57</u>
48	<u>37.99</u>	<u>39.13</u>	<u>39.32</u>
49	<u>38.74</u>	<u>39.88</u>	<u>40.07</u>
50	<u>39.49</u>	<u>40.63</u>	<u>40.82</u>

Package Services
Media Mail/Library Mail*Media Mail (Continued)*

Maximum Weight (pounds)	5-Digit (\$)	Basic (\$)	Single-Piece (\$)
51	<u>40.24</u>	<u>41.38</u>	<u>41.57</u>
52	<u>40.99</u>	<u>42.13</u>	<u>42.32</u>
53	<u>41.74</u>	<u>42.88</u>	<u>43.07</u>
54	<u>42.49</u>	<u>43.63</u>	<u>43.82</u>
55	<u>43.24</u>	<u>44.38</u>	<u>44.57</u>
56	<u>43.99</u>	<u>45.13</u>	<u>45.32</u>
57	<u>44.74</u>	<u>45.88</u>	<u>46.07</u>
58	<u>45.49</u>	<u>46.63</u>	<u>46.82</u>
59	<u>46.24</u>	<u>47.38</u>	<u>47.57</u>
60	<u>46.99</u>	<u>48.13</u>	<u>48.32</u>
61	<u>47.74</u>	<u>48.88</u>	<u>49.07</u>
62	<u>48.49</u>	<u>49.63</u>	<u>49.82</u>
63	<u>49.24</u>	<u>50.38</u>	<u>50.57</u>
64	<u>49.99</u>	<u>51.13</u>	<u>51.32</u>
65	<u>50.74</u>	<u>51.88</u>	<u>52.07</u>
66	<u>51.49</u>	<u>52.63</u>	<u>52.82</u>
67	<u>52.24</u>	<u>53.38</u>	<u>53.57</u>
68	<u>52.99</u>	<u>54.13</u>	<u>54.32</u>
69	<u>53.74</u>	<u>54.88</u>	<u>55.07</u>
70	<u>54.49</u>	<u>55.63</u>	<u>55.82</u>

Package Services
Media Mail/Library Mail*Library Mail*

Maximum Weight (pounds)	5-Digit (\$)	Basic (\$)	Single-Piece (\$)
1	<u>2.66</u>	<u>3.74</u>	<u>3.92</u>
2	<u>3.36</u>	<u>4.44</u>	<u>4.62</u>
3	<u>4.06</u>	<u>5.14</u>	<u>5.32</u>
4	<u>4.76</u>	<u>5.84</u>	<u>6.02</u>
5	<u>5.46</u>	<u>6.54</u>	<u>6.72</u>
6	<u>6.16</u>	<u>7.24</u>	<u>7.42</u>
7	<u>6.86</u>	<u>7.94</u>	<u>8.12</u>
8	<u>7.57</u>	<u>8.65</u>	<u>8.83</u>
9	<u>8.28</u>	<u>9.36</u>	<u>9.54</u>
10	<u>8.99</u>	<u>10.07</u>	<u>10.25</u>
11	<u>9.70</u>	<u>10.78</u>	<u>10.96</u>
12	<u>10.41</u>	<u>11.49</u>	<u>11.67</u>
13	<u>11.12</u>	<u>12.20</u>	<u>12.38</u>
14	<u>11.83</u>	<u>12.91</u>	<u>13.09</u>
15	<u>12.54</u>	<u>13.62</u>	<u>13.80</u>
16	<u>13.25</u>	<u>14.33</u>	<u>14.51</u>
17	<u>13.96</u>	<u>15.04</u>	<u>15.22</u>
18	<u>14.67</u>	<u>15.75</u>	<u>15.93</u>
19	<u>15.38</u>	<u>16.46</u>	<u>16.64</u>
20	<u>16.09</u>	<u>17.17</u>	<u>17.35</u>
21	<u>16.80</u>	<u>17.88</u>	<u>18.06</u>
22	<u>17.51</u>	<u>18.59</u>	<u>18.77</u>
23	<u>18.22</u>	<u>19.30</u>	<u>19.48</u>
24	<u>18.93</u>	<u>20.01</u>	<u>20.19</u>
25	<u>19.64</u>	<u>20.72</u>	<u>20.90</u>

Package Services
Media Mail/Library Mail*Library Mail (Continued)*

Maximum Weight (pounds)	5-Digit (\$)	Basic (\$)	Single-Piece (\$)
26	<u>20.35</u>	<u>21.43</u>	<u>21.61</u>
27	<u>21.06</u>	<u>22.14</u>	<u>22.32</u>
28	<u>21.77</u>	<u>22.85</u>	<u>23.03</u>
29	<u>22.48</u>	<u>23.56</u>	<u>23.74</u>
30	<u>23.19</u>	<u>24.27</u>	<u>24.45</u>
31	<u>23.90</u>	<u>24.98</u>	<u>25.16</u>
32	<u>24.61</u>	<u>25.69</u>	<u>25.87</u>
33	<u>25.32</u>	<u>26.40</u>	<u>26.58</u>
34	<u>26.03</u>	<u>27.11</u>	<u>27.29</u>
35	<u>26.74</u>	<u>27.82</u>	<u>28.00</u>
36	<u>27.45</u>	<u>28.53</u>	<u>28.71</u>
37	<u>28.16</u>	<u>29.24</u>	<u>29.42</u>
38	<u>28.87</u>	<u>29.95</u>	<u>30.13</u>
39	<u>29.58</u>	<u>30.66</u>	<u>30.84</u>
40	<u>30.29</u>	<u>31.37</u>	<u>31.55</u>
41	<u>31.00</u>	<u>32.08</u>	<u>32.26</u>
42	<u>31.71</u>	<u>32.79</u>	<u>32.97</u>
43	<u>32.42</u>	<u>33.50</u>	<u>33.68</u>
44	<u>33.13</u>	<u>34.21</u>	<u>34.39</u>
45	<u>33.84</u>	<u>34.92</u>	<u>35.10</u>
46	<u>34.55</u>	<u>35.63</u>	<u>35.81</u>
47	<u>35.26</u>	<u>36.34</u>	<u>36.52</u>
48	<u>35.97</u>	<u>37.05</u>	<u>37.23</u>
49	<u>36.68</u>	<u>37.76</u>	<u>37.94</u>
50	<u>37.39</u>	<u>38.47</u>	<u>38.65</u>

Package Services
Media Mail/Library Mail

Library Mail (Continued)

Maximum Weight (pounds)	5-Digit (\$)	Basic (\$)	Single-Piece (\$)
51	<u>38.10</u>	<u>39.18</u>	<u>39.36</u>
52	<u>38.81</u>	<u>39.89</u>	<u>40.07</u>
53	<u>39.52</u>	<u>40.60</u>	<u>40.78</u>
54	<u>40.23</u>	<u>41.31</u>	<u>41.49</u>
55	<u>40.94</u>	<u>42.02</u>	<u>42.20</u>
56	<u>41.65</u>	<u>42.73</u>	<u>42.91</u>
57	<u>42.36</u>	<u>43.44</u>	<u>43.62</u>
58	<u>43.07</u>	<u>44.15</u>	<u>44.33</u>
59	<u>43.78</u>	<u>44.86</u>	<u>45.04</u>
60	<u>44.49</u>	<u>45.57</u>	<u>45.75</u>
61	<u>45.20</u>	<u>46.28</u>	<u>46.46</u>
62	<u>45.91</u>	<u>46.99</u>	<u>47.17</u>
63	<u>46.62</u>	<u>47.70</u>	<u>47.88</u>
64	<u>47.33</u>	<u>48.41</u>	<u>48.59</u>
65	<u>48.04</u>	<u>49.12</u>	<u>49.30</u>
66	<u>48.75</u>	<u>49.83</u>	<u>50.01</u>
67	<u>49.46</u>	<u>50.54</u>	<u>50.72</u>
68	<u>50.17</u>	<u>51.25</u>	<u>51.43</u>
69	<u>50.88</u>	<u>51.96</u>	<u>52.14</u>
70	<u>51.59</u>	<u>52.67</u>	<u>52.85</u>

*Special Services
Ancillary Services*

- 1500** **Special Services**

- 1505** **Ancillary Services**

- 1505.1** **Address Correction Service**

- 1505.1.2 Prices

	(\$)
Manual correction, each	
First-Class Mail or USPS Ground Advantage piece, on-piece correction only	\$0.00
Other	<u>\$0.80</u>
Electronic correction, each	
First-Class Mail or USPS Ground Advantage piece	<u>\$0.19</u>
Other	<u>\$0.41</u>
Automated correction (Letters Only)	
First-Class Mail piece	
First two notices, for a given address change, each	<u>\$0.14</u>
Additional notices, for a given address change, each	<u>\$0.21</u>
USPS Marketing Mail piece	
First two notices, for a given address change, each	<u>\$0.16</u>
Additional notices, for a given address change, each	<u>\$0.36</u>
Full-service correction, each	\$0.00

1505.2 Applications and Mailing Permits

1505.2.2 Prices

	(\$)
First-Class Mail Presort Mailing Fee (per year)	<u>320.00</u>
USPS Marketing Mail Mailing Fee (per year)	<u>320.00</u>
Periodicals Application Fees (one-time only for each)	
A. Original Entry	<u>950.00</u>
B. Re-entry	<u>125.00</u>
C. Registration for News Agents	<u>125.00</u>
Bound Printed Matter: Destination Entry Mailing Fee (per year) ¹	<u>320.00</u>
Application to Use Permit Imprint (one-time only)	<u>320.00</u>

1505.3 Business Reply Mail

1505.3.2 Prices

	(\$)
Permit (All categories)	<u>320.00¹</u>
Regular (no account maintenance fee)	
Per-piece charge	<u>1.07</u>
Regular (with account maintenance fee)	
Account maintenance (per year)	<u>930.00</u>
Per-piece charge	<u>0.133</u>
Qualified Business Reply Mail, low-volume	
Account maintenance (per year)	<u>930.00</u>
Per-piece charge	<u>0.091</u>
Qualified Business Reply Mail, high-volume	
Account maintenance (per year)	<u>930.00</u>
Quarterly	<u>3200.00</u>
Per-piece charge	<u>0.019</u>
Bulk Weight Averaged (Non-letters only)	
Account maintenance (per year)	<u>930.00</u>
Per-piece charge	0.026
Monthly maintenance	<u>1540.00</u>

*Special Services
Ancillary Services*

1505.4 Bulk Parcel Return Service

1505.4.2 Prices

	(\$)
Per-piece charge	<u>4.25</u>

1505.5 Certified Mail

1505.5.2 Prices

(Per piece)	(\$)
Certified Mail	<u>4.40</u>
Certified Mail with Restricted Delivery and/or Adult Signature	<u>11.65</u>

1505.6 Certificate of Mailing

1505.6.2 Prices

Individual Piece Prices

	(\$)
Original Certificate of Mailing, Form 3817, individual article presented at retail	<u>2.00</u>
Three or more pieces individually listed on Form 3665-Firm or USPS approved customer provided manifest (per piece listed)	<u>0.58</u>
Each additional copy of original Certificate of Mailing, or original mailing receipt (Form 3877) for Registered Mail, insured mail, Certified Mail, and COD mail (each copy)	<u>2.00</u>

Quantity of Pieces

	(\$)
Up to 1,000 identical-weight pieces (one Form 3606 for total number)	<u>11.10</u>
Each additional 1,000 identical-weight pieces or fraction thereof	<u>1.45</u>
Each additional copy of the original Form 3606	<u>2.00</u>

1505.7 Collect on Delivery

1505.7.2 Prices

(\$)	(\$)	(\$)
Amount to be collected, or insurance coverage desired, whichever is higher:		
0.01	to 50.00	<u>10.80</u>
50.01	to 100.00	<u>13.40</u>
100.01	to 200.00	<u>16.40</u>
200.01	to 300.00	<u>19.40</u>
300.01	to 400.00	<u>22.40</u>
400.01	to 500.00	<u>25.40</u>
500.01	to 600.00	<u>28.40</u>
600.01	to 700.00	<u>31.40</u>
700.01	to 800.00	<u>34.40</u>
800.01	to 900.00	<u>37.40</u>
900.01	to 1,000.00	<u>40.40</u>
Additional Fees for Optional Features:		
COD Restricted Delivery		6.90

1505.8 USPS Tracking

1505.8.2 Prices

	(\$)
USPS Marketing Mail Parcels	
Electronic	<u>0.29</u>

1505.9 Insurance

1505.9.2 Prices

Merchandise Coverage^{1, 2, 3}

(\$)		(\$)	(\$)
0.01	to	50.00	<u>2.75</u>
50.01	to	100.00	<u>3.50</u>
100.01	to	200.00	<u>4.60</u>
200.01	to	300.00	<u>6.05</u>
300.01	to	400.00	<u>7.60</u>
400.01	to	500.00	<u>9.15</u>
500.01	to	600.00	<u>12.25</u>
600.01	to	5,000.00	<u>12.25 plus 1.90 for each 100.00 or fraction thereof over 600.00</u>
Additional Fee for Optional Feature			
Insurance Restricted Delivery			6.90

1505.11 Parcel Airlift (PAL)

1505.11.2 Prices

	(\$)
For pieces weighing:	
Not more than 2 pounds	<u>1.20</u>
Over 2 but not more than 3 pounds	<u>2.00</u>
Over 3 but not more than 4 pounds	<u>2.70</u>
Over 4 but not more than 30 pounds	<u>3.55</u>

*Special Services
Ancillary Services*

1505.13 Return Receipt

1505.13.2 Prices

	(\$)
Original signature (hardcopy)	<u>3.65</u>
Copy of signature (electronic)	<u>2.32</u>

*Special Services
Ancillary Services*

1505.16 Shipper-Paid Forwarding/Return

1505.16.2 Prices

	(\$)
Account Maintenance Fee (per year)	<u>930.00</u>

1505.17 Signature Confirmation

1505.17.2 Prices

	(\$)
Electronic	<u>3.50</u>
Retail	<u>4.15</u>
Additional Fee for Optional Feature: Signature Confirmation Restricted Delivery	 6.90

1505.19 Stamped Envelopes

1505.19.2 Prices

	(\$)
Plain stamped envelopes	
Basic, size 6-3/4, each	<u>0.20</u>
Basic, size 6-3/4, 500	<u>24.75</u>
Basic, over size 6-3/4, each	<u>0.20</u>
Basic, over size 6-3/4, 500	<u>28.15</u>
Personalized stamped envelopes	
Basic, size 6-3/4, 50	<u>7.95</u>
Basic, size 6-3/4, 500	<u>37.90</u>
Basic, over size 6-3/4, 50	<u>7.95</u>
Basic, over size 6-3/4, 500	<u>42.90</u>
Additional Charges for premium options, per 50 envelopes	
Pressure-sensitive sealing	<u>7.45</u>
Font size, font style, and/or ink color (for one, two, or all three)	<u>1.55</u>
Window	<u>1.55</u>
Additional Charges for premium options, per 500 envelopes	
Pressure-sensitive sealing	<u>21.75</u>
Font size, font style, and/or ink color (for one, two, or all three)	<u>3.15</u>
Window	<u>3.15</u>

*Special Services
Ancillary Services*

	(\$)
Shipping—Boxes of 50	
1 box	<u>7.40</u>
2 boxes	<u>9.00</u>
3 boxes	<u>10.70</u>
4 boxes	<u>12.05</u>
5 boxes	<u>14.80</u>
6 boxes	<u>15.85</u>
7 boxes	<u>17.60</u>
8 boxes	<u>19.40</u>
9 or more boxes	<u>22.05</u>
Shipping—Boxes of 500	
1 box	<u>13.50</u>
2 or more boxes	<u>21.95</u>

1505.20 Stamped Cards

1505.20.2 Prices

	(\$)
Single card	0.05
Double reply-paid card	0.10
Sheet of 40 cards (uncut)	2.00
Pack of 10 sheets of 4 cards each	<u>2.50</u>
Premium Options (Additional Charge)	(\$)
Per order of 250 cards	
Printing of return address	<u>25.15</u>
Font size, font style, and/or ink color (for one, two, or all three)	<u>1.30</u>
Monogram	<u>1.30</u>
4-Color logo – first 250 cards	<u>104.00</u>
4-Color logo – additional 250 cards	<u>6.40</u>
Per Order of 1,000 cards	
Printing of return address	<u>63.00</u>
Font size, font style, and/or ink color (for one, two, or all three)	<u>2.60</u>
Monogram	<u>2.60</u>
4-Color logo – first 1,000 cards	<u>109.00</u>
4-Color logo – additional 1,000 cards	<u>12.80</u>

*Special Services
International Ancillary Services*

1510 International Ancillary Services

1510.1 International Certificate of Mailing

1510.1.2 Prices

Individual Piece Prices

	(\$)
Original certificate of mailing for listed pieces of ordinary Single-Piece First-Class Mail International items	<u>2.00</u>
Three or more pieces individually listed in a firm mailing book or an approved customer provided manifest (per piece)	<u>0.58</u>
Each additional copy of original certificate of mailing or firm mailing bills (each copy)	<u>2.00</u>

Multiple Piece Prices

	(\$)
Up to 1,000 identical-weight pieces (one certificate for total number)	<u>11.10</u>
Each additional 1,000 identical-weight pieces or fraction thereof	<u>1.45</u>
Duplicate copy	<u>2.00</u>

1510.2 International Registered Mail

1510.2.2 Prices

Outbound International Registered Mail Prices

	(\$)
Per Piece	<u>20.75</u>

1510.3 International Return Receipt

1510.3.2 Prices

Outbound International Return Receipt Prices

	(\$)
Per Piece	<u>5.80</u>

1510.4 Customs Clearance and Delivery Fee

1510.4.2 Prices

	(\$)
Per Dutiable Item	<u>8.45</u>

*Special Services
Address Management Services*

1515 Address Management Services

1515.2 Prices

	(\$)
Address Sequencing	
Per correction (removal of each undeliverable address, or addition of each missing or new address)	<u>0.59</u>
Insertion of blanks	0.00
AEC II Service	
1-100 records resolved, minimum fee	<u>48.00</u>
Additional records resolved, per record	<u>0.48</u>
AIS (Address Information System) Viewer (per year, per site)	
City State Delivery Type Retrieval Annual Subscription	<u>120.00</u>
County Name Retrieval Annual Subscription	<u>120.00</u>
Delivery Statistic Retrieval Annual Subscription	<u>155.00</u>
ZIP + 4 Retrieval Annual Subscription	<u>120.00</u>
CRIS Route (per year)	
Per state (annual subscription)	<u>90.00*</u>
All States (annual subscription)	<u>1,325.00*</u>
CASS Certification	
Cycle Testing: (for next cycle) August-January	<u>910.00</u>
Cycle Testing: February, March	<u>910.00</u>
Cycle Testing: April	<u>910.00</u>
Cycle Testing: May	<u>910.00</u>
Cycle Testing: June	<u>910.00</u>
Cycle Testing: July	<u>910.00</u>
Cycle Testing: (for current cycle) After July 31 st	<u>910.00</u>

*Special Services
Address Management Services*

	(\$)
Change-of-Address Information for Election Boards and Registration Commissions	
Per change of address	<u>0.58</u>
Change-of-Address Customer Notification Letter Reprint	<u>75.00</u>
City State (per year)	
All States (annual subscription)	<u>545.00*</u>
CDS (per address, per year)	<u>0.020</u>
Minimum (per year)	<u>90.00</u>
Delivery Statistics (per year)	
All States (annual subscription)	<u>565.00*</u>
DMM Labeling Lists	<u>90.00*</u>
DPV System (per year) ³	<u>15,800.00</u>
DSF ² Service (per year) ⁴	<u>160,000.00</u>
Each additional location per year	<u>80,000.00</u>
Each additional platform per location per year	<u>80,000.00</u>
eLOT Service (per year)	
Per state (annual subscription)	<u>90.00*</u>
All States (annual subscription)	<u>1,340.00*</u>
Extended Mail Forwarding	
6-month extension	19.95
12-month extension	29.95
18-month extension	39.95

	(\$)
Five-Digit ZIP (per year)	
All States (annual subscription)	<u>780.00*</u>
LACSLink5	
Interface Developer (first year)	<u>1,690.00⁶</u>
Interface Developer (each one-year extension)	<u>490.00⁶</u>
Interface Distributor (per year)	<u>1,890.00⁷</u>
Data Distributor (per year)	<u>490.00</u>
End User (per year)	<u>490.00⁸</u>
MASS Certification	
MASS Manufacturers (MLOCR)	
Cycle Testing: (for next cycle) November – June	<u>1140.00</u>
Cycle Testing: July	<u>1140.00</u>
Cycle Testing: (for current cycle) After July 31 st	<u>1140.00</u>
MASS End-Users (MLOCR)	
Cycle Testing: (for next cycle) March – June	<u>1140.00</u>
Cycle Testing: July	<u>1140.00</u>
Cycle Testing: (current cycle) After July 31 st	<u>1140.00</u>
MASS Manufacturers (Encoder)	
Cycle Testing: (for next cycle) November – June	<u>1140.00</u>
Cycle Testing: July	<u>1140.00</u>
Cycle Testing: (for current cycle) After July 31 st	<u>1140.00</u>
MASS End-Users (Encoder)	
Cycle Testing: (for next cycle) March – June	<u>1140.00</u>
Cycle Testing: July	<u>1140.00</u>
Cycle Testing: After July 31 st	<u>1140.00</u>
MASS IMb Quality Testing	<u>565.00</u>

Special Services
Address Management Services

	(\$)
NCOA^{Link} Service¹¹	
Initial Interface Developer (first year fee)	<u>9,000.00</u>
Interface Developer (per each one year extension)	<u>1,880.00</u>
Interface Distributor (per year)	<u>43,000.00</u>
Full Service Provider (per year)	<u>300,000.00</u>
Full Service Provider Each Additional Site (per year)	<u>148,000.00</u>
Limited Service Provider (per year)	<u>25,000.00</u>
Limited Service Provider (per each one year extension)	
One Site only	<u>25,000.00</u>
Each additional site	<u>12,500.00</u>
ANK ^{Link} Service Option (per year)	
First Site	<u>5,900.00</u>
Each Additional Site	<u>2,740.00</u>
End User/MPE (first year)	<u>12,450.00</u>
End User/MPE (each renewal year)	
One site (each site for MPE)	<u>12,450.00</u>
Each additional site (End User only)	<u>5,850.00</u>
ANK ^{Link} Service Option (per year)	<u>1,355.00</u>
NCOA ^{Link} Test, Audit (each)	<u>1,820.00</u>
Official National Zone Charts (per year)	
Matrix	<u>82.00*</u>
RDI Service (per year) ¹	<u>500.00*</u>
Z4 Change (per year)	
All States	<u>4,675.00*</u>
ZIP + 4 Service (per year)	
Per state (annual subscription)	<u>90.00*</u>
All States (annual subscription)	<u>1,350.00*</u>
ZIP Move (per year)	
All States (annual subscription)	<u>180.00*</u>
99 Percent Accurate Method (per 1,000 addresses per year)	<u>1.65</u>
Minimum (per year)	<u>165.00</u>

1520 Caller Service

1520.2 Prices

	(\$)
Groups based on Post Office location (Semi-Annual):	
Group 1	<u>1,060.00</u>
Group 2	<u>980.00</u>
Group 3	<u>900.00</u>
Group 4	<u>845.00</u>
Group 5	<u>800.00</u>
Group 6	<u>740.00</u>
Group 7	<u>705.00</u>
Call Number Reservation (Annual ¹)	<u>74.00</u>

*Special Services
International Business Reply Mail Service*

1540 International Business Reply Mail Service

1540.3 Prices

Outbound International Business Reply Mail Service Prices

	(\$)
Card	<u>2.15</u>
Envelope	<u>2.70</u>

*Special Services
Money Orders*

1545 Money Orders

1545.2 Prices

	(\$)		(\$)	(\$)
Domestic	0.01	to	500.00	<u>2.10</u>
Domestic	500.01	to	1,000.00	<u>3.00</u>
APO/FPO/DPO	0.01	to	1,000.00	<u>0.70</u>
Inquiry, including a copy of paid money order				<u>18.00</u>

*Special Services
Post Office Box Service*

1550 Post Office Box Service

1550.4 Prices

Regular and No Fee

Box Size	Semi-annual Fees ¹ (Groups based on Post Office location) (\$)							
	1	2	3	4	5	6	7	E ²
1	<u>75.00</u>	<u>61.00</u>	<u>51.00</u>	<u>42.00</u>	<u>36.00</u>	<u>32.00</u>	<u>29.00</u>	0.00
2	<u>109.00</u>	<u>90.00</u>	<u>72.00</u>	<u>60.00</u>	<u>50.00</u>	<u>42.00</u>	<u>37.00</u>	0.00
3	<u>188.00</u>	<u>151.00</u>	<u>123.00</u>	<u>94.00</u>	<u>77.00</u>	<u>60.00</u>	<u>55.00</u>	0.00
4	<u>339.00</u>	<u>281.00</u>	<u>230.00</u>	<u>176.00</u>	<u>133.00</u>	<u>98.00</u>	<u>81.00</u>	0.00
5	<u>535.00</u>	<u>440.00</u>	<u>359.00</u>	<u>302.00</u>	<u>216.00</u>	<u>173.00</u>	<u>144.00</u>	0.00

Box Size	3-Month Fees (Groups based on Post Office location) (\$)						
	1	2	3	4	5	6	7
1	<u>46.00</u>	<u>37.00</u>	<u>31.00</u>	<u>26.00</u>	<u>23.00</u>	<u>20.00</u>	<u>19.00</u>
2	<u>66.00</u>	<u>55.00</u>	<u>45.00</u>	<u>37.00</u>	<u>31.00</u>	<u>26.00</u>	<u>23.00</u>
3	<u>114.00</u>	<u>91.00</u>	<u>75.00</u>	<u>57.00</u>	<u>47.00</u>	<u>37.00</u>	<u>34.00</u>
4	<u>204.00</u>	<u>168.00</u>	<u>137.00</u>	<u>105.00</u>	<u>80.00</u>	<u>59.00</u>	<u>50.00</u>
5	<u>321.00</u>	<u>264.00</u>	<u>216.00</u>	<u>182.00</u>	<u>131.00</u>	<u>105.00</u>	<u>87.00</u>

*Special Services
Stamp Fulfillment Services*

1560 Stamp Fulfillment Services

1560.2 Prices

Orders mailed to domestic United States destinations	(\$)
Orders up to \$50.00	<u>1.70</u> ¹ , add <u>3.10</u> ² for custom orders
Orders over \$50.00	<u>2.35</u> ¹ , add <u>3.10</u> ² for custom orders
Orders mailed to destinations outside of domestic United States	(\$)
Orders up to \$50.00	<u>8.85</u> add <u>3.10</u> ² for custom orders
Orders over \$50.00	<u>9.50</u> add <u>3.10</u> ² for custom orders
