



POSTAL REGULATORY COMMISSION

[Docket No. CP2024-52; Order No. 6806]

Competitive Price Changes

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is recognizing a recently filed Postal Service document with the Commission concerning changes in rates and classifications of general applicability for competitive products. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* December 1, 2023.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202-789-6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction and Overview

On November 15, 2023, the Postal Service filed notice with the Commission concerning changes in rates and classifications of general

applicability for Competitive products.¹ The Postal Service represents that, as required by 39 CFR 3035.102(b) and 39 CFR 3035.104(b), the Notice includes an explanation and justification for the changes, the effective date, and a schedule of the changed rates. Notice at 1. The changes are scheduled to take effect on January 21, 2024. *Id.*

Attached to the Notice is Governors' Decision No. 23-5, which states the new prices are in accordance with 39 U.S.C. 3632 and 3633 and 39 CFR 3035.102-.104.² The Governors' Decision provides an analysis of the Competitive products' price and classification changes intended to demonstrate that the changes comply with 39 U.S.C. 3633 and 39 CFR part 3035. Governors' Decision No. 23-5 at 1. The Attachment to the Governors' Decision No. 23-5 sets forth the classification and price changes and includes draft Mail Classification Schedule (MCS) language for Competitive products of general applicability.

In addition, the Notice includes a non-public annex showing FY 2024 projected volumes, revenues, attributable costs, contribution, and cost coverage for each product. See Notice at 1. The Postal Service also filed supporting forecast data and price adjustment calculations for each affected product as required by Order No. 1062. *Id.*

¹ USPS Notice of Changes in Rates and Classifications of General Applicability for Competitive Products, November 15, 2023 (Notice). Pursuant to 39 U.S.C. 3632(b)(2), the Postal Service is obligated to publish the Governors' Decision and record of proceedings in the *Federal Register* at least 30 days before the effective date of the new rates.

² Notice, Decision of the Governors of the United States Postal Service on Changes in Rates and Classifications of General Applicability for Competitive Products (Governors' Decision No. 23-5), at 1 (Governors' Decision No. 23-5).

The Notice also includes an application for non-public treatment of the unredacted version of the annex to the Governors' Decision, as well as the supporting materials for the data.³ *Id.* at 1-2.

II. Summary of Changes

The Notice proposes price changes to Priority Mail Express, Priority Mail, Parcel Select, and USPS Ground Advantage, and most International Products. *Id.* at 2. Additionally, the proposed changes include price adjustments to Domestic Extra Services, including Premium Forwarding Service, Competitive Post Office Boxes, and Adult Signature Service among others, and a 20 percent price increase in certain Nonstandard Fees (NSFs). *Id.* There are two classification changes proposed, renaming the Electronic Verification System (eVS) Unmanifested Fee to simply "Unmanifested Fee" and the elimination of Parcel Select Lightweight Price Category. *Id.* at 2-5. No other price or classification changes are proposed in this docket. See Governors' Decision No. 23-5 at 2-3. The changes are summarized below and condensed to Table I-1.

A. Price changes

1. Domestic

Priority Mail Express changes. The proposed changes to the MCS in the Governors' Decision No. 23-5 show the Postal Service's planned price changes for Priority Mail Express. On average, Priority Mail Express prices are proposed to increase 5.9 percent. See *id.* at 2. For January 2024, the Postal Service will maintain the consolidation of Commercial Base and Commercial Plus price categories into one Commercial price category and the differentiated "Local, 1, 2"

³ See United States Postal Service Notice of Errata to Application for Nonpublic Treatment Accompanying USPS Notice of Changes in Rates and Classifications of General Applicability for Competitive Products, November 17, 2023.

Zone prices and dimensional weighting for all zones. *Id.* The retail prices for Priority Mail Express will increase an average of 5.9 percent. *Id.* On average, commercial prices will increase by 5.9 percent and reflect an average of 13.7 percent discount off of retail prices. *Id.*

Priority Mail changes. The proposed changes to the MCS in the Governors' Decision No. 23-5 show the Postal Service's planned price changes for Priority Mail. On average, Priority Mail prices are proposed to increase 5.7 percent. *See id.* at 2. For January 2024, the Postal Service will maintain the consolidation of Commercial Base and Commercial Plus price categories into one Commercial price category and the differentiated "Local, 1, 2" Zone prices and dimensional weighting for all zones. *Id.* On average, the retail prices will increase by 5.6 percent. The commercial prices will increase by an average of 5.8 percent and reflect an average of 20.5 percent discount off retail prices. *Id.* at 3.

Parcel Select. The proposed changes to the MCS in the Governors' Decision No. 23-5 show the Postal Service's planned price changes for Parcel Select. On average, Parcel Select prices are proposed to increase 5.9 percent. *See id.* at 3. Proposed for January 2024, Parcel Select Lightweight will be eliminated as a separate price category and instead ounce-based prices will be added under the destination categories at 4-, 8- and 12-ounce increments. *Id.* Parcel Select will be expressed in a single price table to reflect the elimination of Parcel Select Lightweight along with previous structural changes in 2023. *Id.*

The average price increase for parcels entered in destination delivery units, destination hubs, destination network distribution centers, and destination sectional center facilities is 5.9 percent. *Id.* The prices for USPS Connect,

introduced in 2022, will remain unchanged. *Id.* The Postal Service proposes to maintain dimensional weighting which was introduced for all zones in 2019.

USPS Ground Advantage. The proposed changes to the MCS in the Governors' Decision No. 23-5 show the Postal Service's planned price changes for USPS Ground Advantage overall will increase an average of 5.4 percent. *Id.* The retail prices will increase an average of 5.2 percent and commercial will increase an average of 5.4 percent. *Id.* The Alaska Limited Overland Routes price category will increase an average of 9.2 percent. *Id.* at 3-4.

Domestic Extra Services. The proposed changes to the MCS in the Governors' Decision No. 23-5 show the Postal Service's planned price changes for Premium Forwarding Service will increase an average of 3.0 percent. *Id.* at 4. On average, prices for Address Enhancement Service are proposed to increase 3.0 percent. *Id.* The Competitive Post Office Box prices will increase an average of 6.5 percent. *Id.*

2. International

Expedited Services. The proposed changes to the MCS in the Governors' Decision No. 23-5 show the Postal Service's planned price changes for Global Express Guaranteed and Priority Mail Express International will increase an average of 5.4 percent with Commercial Plus equivalent to Commercial Base. *Id.*

Priority Mail International. The proposed changes to the MCS in the Governors' Decision No. 23-5 show the Postal Service's planned price changes for Priority Mail International will increase an average of 5.4 percent with Commercial Plus prices equivalent to Commercial Base. *Id.*

International Priority Airmail and International Surface Air Lift. The proposed changes to the MCS in the Governors' Decision No. 23-5 show the Postal Service's planned published price changes for International Priority Airmail

and International Surface Air Lift will have an average increase of 5.5 percent and 3.5 percent, respectively. *Id.* at 5.

Airmail M-Bags. The published price changes for Airmail M-Bags will increase by 5.4 percent. *Id.*

First-Class Package International Service. The proposed changes to the MCS in the Governors' Decision No. 23-5 show the Postal Service's planned price changes for First-Class Package International Service will increase an average of 6.4 percent with Commercial Plus prices equivalent to Commercial Base. *Id.*

International Ancillary Service and Special Services. The proposed changes to the MCS in the Governors' Decision No. 23-5 show the Postal Service's planned price changes for several international ancillary services. *Id.* The prices for International Certificate of Mailing and International Registered Mail will increase by an average of 2.5 percent. *Id.* The prices for International Return Receipt will increase by an average of 2.7 percent. *Id.* Lastly, the prices for International Insurance and Customs and Clearance Delivery Fee will increase by an average of 3.0 percent. *Id.*

B. Classification Changes

Renaming eVS Unmanifested Fee. The "eVS Unmanifested Fee" will be renamed as "Unmanifested Fee" to accommodate the ongoing migration of customers from eVS to the USPS Ship platform. Notice at 2. The Postal Service plans to retire the eVS platform and therefore plans to rename the "eVS Unmanifested Fee" to simply "Unmanifested Fee." *Id.*

Elimination of Parcel Select Lightweight. As discussed above, Parcel Select Lightweight will be eliminated as a separate price category and ounce-

based prices will be added under the destination entered categories at 4-, 8-, and 12-ounce increments. *Id.* at 4.

NSFs. The Nonstandard Fees applicable to Priority Mail Express, Priority Mail, Parcel Select, and USPS Ground Advantage will see a 20 percent increase in 2024. *Id.* at 2-4.

**Table I-1
Proposed Price Changes**

Product Name	Average Price Increase (percent)
Domestic Competitive Products	
Priority Mail Express	5.9
Retail	5.9
Commercial	5.9
Priority Mail	5.7
Retail	5.6
Commercial	5.8
Parcel Select	5.9
Destination Delivery Unit	5.9
Destination hub	5.9
Destination Sectional Center Facility	5.9
Destination Network Distribution Center	5.9
USPS Ground Advantage	5.4
Retail	5.2
Commercial	5.4
Domestic Extra Services	
Premium Forwarding Service	3.0
Adult Signature Service	
Basic	3.3
Person-Specific	3.2
Competitive Post Office Box	6.5
Package Intercept Service	3.0
Address Enhancement Service	3.0
International Competitive Products	
Global Express Guaranteed	5.4
Priority Mail Express International	5.4
Priority Mail International	5.4
International Priority Airmail	5.5
International Surface Air Lift	3.5
Airmail M-Bags	5.4
First-Class Package International Service	6.4
International Ancillary Services and Special Services	
International Ancillary Services	2.7
International Certificate of Mailing	2.5
International Insurance	3.0
International Registered Mail	2.5
International Return Receipt	2.7
Customs and Clearance Delivery Fee	3.0

Source: See Governors' Decision No. 23-5 at 2-5.

III. Initial Administrative Actions

The Commission establishes Docket No. CP2024-52 to consider the Postal Service's Notice. Interested persons may express views and offer comments on whether the planned changes are consistent with 39 U.S.C. 3632, 3633, and 3642, 39 CFR part 3035, and 39 CFR 3040 subparts B and E. Comments are due no later than December 1, 2023. For specific details of the planned price changes, interested persons are encouraged to review the Notice, which is available on the Commission's website at *www.prc.gov*.

Pursuant to 39 U.S.C. 505, Christopher C. Mohr is appointed to serve as Public Representative to represent the interests of the general public in this docket.

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. CP2024-52 to provide interested persons an opportunity to express views and offer comments on whether the planned changes are consistent with 39 U.S.C. 3632, 3633, and 3642, 39 CFR part 3035, and 39 CFR 3040 subparts B and E.

2. Comments are due no later than December 1, 2023.

3. Pursuant to 39 U.S.C. 505, the Commission appoints Christopher C. Mohr to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.

4. The Secretary shall arrange for publication of this order in the *Federal Register*.

By the Commission.

Erica A. Barker,

Secretary.

