



This document is scheduled to be published in the Federal Register on 11/30/2023 and available online at <https://federalregister.gov/d/2023-26359>, and on <https://govinfo.gov>

## **POSTAL SERVICE**

### **Change in Rates and Classes of General Applicability for Competitive Products**

**AGENCY:** Postal Service™.

**ACTION:** Notice of a change in rates and classifications of general applicability for competitive products.

**SUMMARY:** This notice sets forth changes in rates and classifications of general applicability for competitive products.

**DATES:** *Applicability date:* No earlier than July 1, 2024.

**FOR FURTHER INFORMATION CONTACT:** Elizabeth Reed, 202-268-3179.

**SUPPLEMENTARY INFORMATION:** On November 13, 2023, pursuant to their authority under 39 U.S.C. 3632, the Governors of the Postal Service established prices and classification changes for competitive products to establish Zone 10 prices for Priority Mail Express, Priority Mail, and USPS Ground Advantage. The Governors' Decision and the record of proceedings in connection with such decision are reprinted below in accordance with section 3632(b)(2). Mail Classification Schedule language containing the new prices and classification changes can be found at [www.prc.gov](http://www.prc.gov).

**Colleen Hibbert-Kapler,**

*Attorney, Ethics and Legal Compliance.*

**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. 23-6)**

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November 14, 2023

**STATEMENT OF EXPLANATION AND JUSTIFICATION**

Pursuant to authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish prices and classifications of general applicability for certain competitive products in order to establish Zone 10 rates for offshore locations. Specifically, Zone 10 rates will be added to the price charts for the Postal Service's "full network" competitive products: Priority Mail Express, Priority Mail, and USPS Ground Advantage. The rates will apply to mail destinating in Alaska, Hawaii, and US Territories, and not originating in the same state or territory. Prices are designed to be five percent higher than the January 2024 proposed prices for Zone 8. Additionally, USPS Ground Advantage prices for Zone 9 will be increased to align with the new Zone 10 prices. Classification changes will be made in the relevant price charts to include new columns for Zone 10 prices. A detailed description of the changes can be found in the Postal Service's associated draft Mail Classification Schedule change document. That document contains the draft Mail Classification Schedule sections with classification changes in legislative format, and new prices displayed in the price charts.

As shown in the nonpublic annex being filed under seal herewith, the changes we establish should enable each affected competitive product to cover its attributable costs (39 U.S.C. § 3633(a)(2)) and should result in competitive products as a whole complying with 39 U.S.C. § 3633(a)(3), which, as implemented by 39 C.F.R. § 3035.107(c), requires competitive products collectively to contribute a minimum of 9.9 percent to the Postal Service's institutional costs. Accordingly, no issue of subsidization of competitive products by market dominant products should arise (39 U.S.C. § 3633(a)(1)). We therefore find that the new prices and classification changes are in accordance with 39 U.S.C. §§ 3632–3633 and 39 C.F.R. §§ 3035.102 and 104.

**ORDER**

The changes in prices and classes set forth herein shall be effective no earlier than July 1, 2024, on a date and time determined at the discretion of management. We direct the Secretary to have this decision published in the *Federal Register* in accordance with 39 U.S.C. § 3632(b)(2) and direct management to file with the Postal Regulatory Commission appropriate notice of these changes.

By The Governors:

/s/

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Roman Martinez IV  
Chairman, Board of Governors

**UNITED STATES POSTAL SERVICE  
OFFICE OF THE BOARD OF GOVERNORS**

**CERTIFICATION OF GOVERNORS' VOTE ON  
GOVERNORS' DECISION NO. 23-6**

Consistent with 39 USC 3632(a), I hereby certify that, on November 13, 2023, the Governors voted on adopting Governors' Decision No. 23-6, and that a majority of the Governors then holding office voted in favor of that Decision.

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Date: November 13, 2023

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Michael J. Elston  
Secretary of the Board of Governors

[FR Doc. 2023-26359 Filed: 11/29/2023 8:45 am; Publication Date: 11/30/2023]