



POSTAL REGULATORY COMMISSION

39 CFR Part 3041

[Docket No. RM2025-7, MC2025-1201 and K2025-1201; Order No. 8730]

Streamlined Option Rulemaking-Fulfillment—Non-Published Rates

Negotiated Service Agreements

AGENCY: Postal Regulatory Commission.

ACTION: Notification.

SUMMARY: The Commission is acknowledging a recent Postal Service filing requesting the Commission initiate a rulemaking proceeding for a streamlined option to support the establishment of a new non-published product, Fulfillment Non-Published Rates, and fulfillment standardized distinct products. This document informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* March 12, 2025.

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

On February 28, 2025, the Postal Service filed a petition to initiate a proceeding for a streamlined option rulemaking to support the establishment of a new non-published rates (NPR) product, Fulfillment Non-Published Rates (FFNPR 1), and fulfillment standardized distinct products (SDPs) pursuant to 39 CFR 3041.205.¹ The Postal Service separately filed a request to add a new Fulfillment Standardized Distinct Product and Non-Published Rates (FFNPR) to the Competitive product list pursuant to 39 U.S.C. 3642 and 3633, and 39 CFR 3035.105(a), 3041.320, and 3041.325.²

II. Postal Service Requests

Background. The Commission adopted rules for streamlined option rulemakings in Docket No. RM2023-5 to “address elements of 39 U.S.C. 3642 review and 39 U.S.C. 3633 pre-implementation review that are broadly applicable to qualifying [negotiated service agreements (NSAs)], and not particular to individual qualifying NSAs.”³ Specifically, such proceedings are used to establish eligibility criteria specifying the ways in which qualifying NSAs will be permitted to vary from existing offerings, to review a proposed financial model for qualifying NSAs that accounts for the financial impact of any such variations, and to establish minimum rates for qualifying NSAs. Order No. 7353 at 4.

Streamlined option rulemaking. In accordance with 39 CFR 3041.205(c), the Postal Service submitted proposed *Mail Classification Schedule* changes, a

¹ Docket No. RM2025-7, USPS Petition for Streamlined Option Rulemaking and Notice of Filing Non-Public Materials, February 28, 2025 (Petition).

² Docket Nos. MC2025-1201 and K2025-1201, USPS Request to Establish New Fulfillment Standardized Distinct Product and Non-Published Rates (FFNPR) and Notice of Filing Materials Under Seal, February 28, 2025 (Request); see Petition at 1 n.1.

³ Docket No. RM2023-5, Final Order Amending Rules Regarding Competitive Negotiated Service Agreements, August 9, 2024, at 4 (Order No. 7353).

supporting financial model and the minimum rates for Fulfillment Standardized Distinct Products and Non-Published Rates. Petition at 1. The Postal Service states that included contracts within FFNPRs and fulfillment SDPs will provide discounted rates for “existing end-to-end [C]ompetitive products Priority Mail and USPS Ground Advantage on the same basis as, and without any material changes made to, the publicly available versions of those products.” *Id.* at 2. The Postal Service also states that the “framework is designed for customers who fulfill orders and ship on behalf of their clients, who wish to ship the aforementioned products with the Postal Service and are willing to utilize the Postal Service’s contract templates.” *Id.*

The Postal Service asserts that the “financial analysis demonstrates that each contract that utilizes this framework will comply with 39 U.S.C. 3633 and will rely on reasonable and reliable projected cost, revenue, and volume data.” *Id.* at 1-2. According to the Postal Service, the proposed framework utilizes the archetype approach approved in Order No. 7334 and the financial model is “substantially similar to the model utilized for the Mid-Market Non-Published Rates (MMNPR) product and approved by the Commission in Docket No. RM2025-5.”⁴

The Postal Service further states that: “[w]hile the archetype definitions will remain the same, adjustments were made to the volume and product distributions to accommodate the different structure for fulfillment contracts”; the

⁴ See *id.* at 2; Docket Nos. MC2024-384 and CP2024-392, Order Adding Priority Mail Express, Priority Mail & USPS Ground Advantage Contract 123 to the Competitive Product List, August 5, 2024, at 7 (Order No. 7334) (citing Docket Nos. MC2024-384 and CP2024-392, USPS Response to Chairman’s Information Request No. 1, with Portions Filed Under Seal, July 16, 2024, question 3); Docket Nos. RM2025-5, K2025-491, and K2025-1124, Order Authorizing Streamlined Review for Eligible Mid-Market Standardized Distinct Products and Non-Published Rates Products and Adding Non-Published Rates Products to the Competitive Product List, January 15, 2025 (Order No. 8617).

financial materials “demonstrate cost coverage in all ten archetype scenarios as well as under a national average distribution”; and “all FFNPR contracts are projected to comfortably cover costs.” Petition at 2.

Standardized Distinct Product and Non-Published Rates. Requests to add conforming NPR NSA products to the Competitive product list are reviewed in public proceedings, and, if approved, one or more included contracts using the same contract template may be subsequently added to the product without requiring further approval from the Commission. See 39 CFR 3041.320. Requests to add conforming SDP NSAs to the Competitive product list are reviewed by the Commission in summary proceedings. 39 CFR 3041.325(c).

The Postal Service describes the Request as including 4 closely-related contract templates similar to Priority Mail and USPS Ground Advantage NSAs with fulfillment customers that have been filed with the Commission over the past 12 months. Request at 2. The four proposed contract templates reflect variations in pricing mechanisms. *Id.* The Postal Service states that “[t]he three Tiered templates will have 1-Year, 2-Year, or 3-Year terms, while the Non-Tiered Annual template will strictly be a 1-Year term” and that the “operative components in all four templates are the same[.]” *Id.*

The Postal Service states that “[e]xpedited shipping, similar to the Priority Mail and USPS Ground Advantage services provided under the FFNPR contract templates, is widely available from well-known and successful private firms at both published and contract prices.” *Id.* at 3. The Postal Service also states that “[p]rospective customers are in favor of the approval of the FFNPR contract templates” and that it “is unaware of any small business concerns that could offer comparable services.” *Id.* at 3-4.

III. Notice and Comment

The Commission establishes Docket No. RM2025-7 for consideration of matters raised by the Petition and Docket Nos. MC2025-1201 and K2025-1201 for consideration of matters raised by the Request. Interested persons may submit comments. Comments are due no later than March 12, 2025. More information on the proceedings may be accessed via the Commission's website at <https://www.prc.gov>.

Pursuant to 39 U.S.C. 505, Arif Hafiz is designated as an officer of the Commission (Public Representative) to represent the interests of the general public in these proceedings.

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. RM2025-7 for consideration of the matters raised by the USPS Petition for Streamlined Option Rulemaking and Notice of Filing Non-Public Materials, filed February 28, 2025.

2. The Commission establishes Docket Nos. MC2025-1201 and K2025-1201 for consideration of the matters raised by the USPS Request to Establish New Fulfillment Standardized Distinct Product and Non-Published Rates (FFNPR) and Notice of Filing Materials Under Seal, filed February 28, 2025.

3. Comments by interested persons are due no later than March 12, 2025.

4. Pursuant to 39 U.S.C. 505, the Commission appoints Arif Hafiz to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in these dockets.

5. The Secretary shall arrange for the publication of this Order in the **Federal Register**.

By the Commission.

Erica A. Barker,

Secretary.

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