



## In this issue ...

**USPS Files Price Increase for Market Dominant Products.** Another nail in the coffin of hard-copy mail. *Page 1.*

**Questions Mailers May Ask.** A bit of background. *Page 4.*

**PRC Releases FY 2022 Annual Compliance Determination.** Formally reporting what we already know. *Page 4.*

**MTAC News and Notes.** Tidbits from the March meeting. *Page 6.*

**Mailer Groups Frustrated Again by PRC Decisions.** The PRC is being very agreeable with the Postal Service. *Page 7.*

**OIG Evaluates USPS Trailer Utilization.** Trucks not full of containers that aren't full. *Page 8.*

**OIG Examines USPS Election Mail Performance.** The USPS did better than in the past. *Page 9.*

**Miscellany.** New VPs; From the OIG: Stopping benefits fraud. *Page 10.*

**All the Official Stuff.** Federal Register notices, Postal Bulletin articles, DMM Advisory and Industry Alert postings. *Page 11.*

**Calendar.** Upcoming events and webinars. *Page 13.*

**USPS PROPOSED MARKET DOMINANT PRICES PLANNED TO BE EFFECTIVE JULY 9, 2023.** *Page 15.*

## USPS Files Price Increase for Market Dominant Products

Late on Monday, April 11, the Postal Service submitted a filing with the Postal Regulatory Commission proposing a price increase on market dominant products. The filing had been approved by the Governors of the USPS at their meeting earlier in the week. Postmaster General Louis DeJoy had promised aggressive price increases when he came aboard in mid-2020; if approved by the PRC, the increases he will have imposed over a 23-month period exceed 22.8%.

The size of the additional "density" and "retirement" adders were calculated by the USPS last year and confirmed by the PRC in an April 3 order.

In its filing, the Postal Service detailed the factors contributing to the proposed increase:

- **Accumulated 6-month CPI-Based Authority:** 3.406%
- **Unused Authority from Previous Filings:**

Class	Unused Authority
First-Class	0.001%
Marketing	0.003%
Periodicals	0.744%
Package Services	0.003%
Special Services	0.064%

- **Density Rate Authority:** 0.936%
- **Retirement-Based Rate Authority:** 1.036%
- **Rate Authority for Non-Compensatory Classes:** 2%

These factors established the total USPS rate authority:

Class	CPI	Bank	Density	Retirement	Noncompensatory	Total
First-Class	3.406%	0.001%	0.936%	1.036%	--	5.379%
Marketing	3.406%	0.003%	0.936%	1.036%	--	5.381%
Periodicals	3.406%	0.744%	0.936%	1.036%	2.000%	8.122%
Package Svcs	3.406%	0.003%	0.936%	1.036%	--	5.381%
Special Svcs	3.406%	0.064%	0.936%	1.036%	--	5.442%

Of that total, the Postal Service chose to use all but a tiny percentage, which it will "bank":

Class	Average Increase (%)	Unused Authority (%)
First-Class	5.378	0.001
Marketing	5.381	0.000
Periodicals	8.122	0.000
Package Services	5.379	0.002
Special Services	5.429	0.013

The total price increases recently imposed on ratepayers is far from encouraging the increased use of mail:

Class	Aug '21	Jul '22	Jan '23	Apr '23	Total
First-Class	6.814	6.506	4.200	<b>5.378</b>	<b>22.898</b>
Marketing	6.815	6.500	4.203	<b>5.381</b>	<b>22.899</b>
Periodicals	8.806	8.540	4.200	<b>8.122</b>	<b>29.668</b>
Package Svcs	8.806	8.511	4.197	<b>5.379</b>	<b>26.893</b>
Special Services	6.808	6.442	4.198	<b>5.429</b>	<b>22.877</b>

### Details by class

The Postal Service's filing offered details of how the class level increases were being distributed among component rate categories and the reasons for some pricing decisions.

- **First-Class Mail.** "The Postal Service is increasing the one-ounce stamp price from 63 cents to 66 cents, or 4.8%. The one-ounce meter price is increasing by 3 cents, from 60 cents to 63 cents, or 5.0%. As a result, the stamp and meter price differential will remain at three cents. In addition to serving as a Single-Piece rate category, the meter price serves as a benchmark for the largest volume and revenue rates categories within First-Class Mail (i.e., Automation Letters). The nonmachinable surcharge for Letters will remain at 40 cents, and the additional ounce rate will remain at 24 cents.

Product	Average Increase (%)
Single-piece (overall)	4.757
Stamped	4.800
Metered	5.000
Presorted (letters/cards)	5.537
Automation Mixed AADC	5.700
Automation AADC	5.900
Automation 5-digit	5.700
Flats (overall)	7.154
Outbound Single-pc FCM International	3.644
Inbound Letter Post	0.064

"... The 5-Digit Automation Letters price will increase 5.7%, which is slightly lower than the rate increase for the Automation Letters category as a whole.

"As reported in the FY 2022 Annual Compliance Determination, cost coverage for First-Class Mail Flats is now above 100%. The Postal Service raised Flats prices above the class average in the last three rate cases. Here, the Postal Service is raising First-Class Mail Flats by 7.145%, above the overall average increase of 5.378% for First-Class Mail.

"The remainder of the price authority for First-Class Mail is applied to cards and International Mail letters, cards and flats. Single-Piece Postcard prices are being raised 3 cents, from 48 cents to 51 cents. Presorted Postcards (Nonautomation and Automation) prices will increase by 1.329%. ..."

**Mailers Hub subscribers get a discount on NPF registration ... see page 13.**

"All First-Class Mail passthroughs comply with the Commission's rules ... . Out of 16 passthroughs in First-Class Mail, 13 passthroughs are exactly 100% (up from nine passthroughs in Docket No. R2023-1), and three passthroughs are between 85 and 100%.

- **Marketing Mail.** "In the FY 2022 *Annual Compliance Determination*, the Commission found that Marketing Mail Flats, Parcels, and Carrier Route did not cover their costs. Accordingly ... the Postal Service must raise prices for these three products by a minimum of 2 percentage points above the class average. The Postal Service is, therefore, raising prices 7.381%, 20.455%, and 7.388%, respectively. The Letters product, which provides 63.7% of Marketing Mail revenue, is receiving a slightly below average increase.

Product	Average Increase (%)
Letters (overall)	5.195
Flats (overall)	7.381
Parcels (overall)	20.455
High-Density/Saturation Letters	5.057
High-Density/Saturation Flats & Parcels	3.071
Carrier Route (overall)	7.388
EDDM – Retail	4.762

"As in the previous price case, Docket No. R2023-1, High Density Letters is receiving an above-average increase. Over the last few years, comingling has changed the market for Marketing Mail. It has let mailers come together to achieve more High Density volume, converting some 5-Digit and Carrier Route to High Density. Operationally, there is no difference between 5-Digit and ECR letter mail pieces. This increase aligns the High Density Letter prices more closely to 5-Digit letter price.

"The Postal Service is creating two new discounts for Marketing Mail letter-shaped pieces on SCF pallets (i.e. a pallet on which all pieces are destined to ZIP Codes served by a single SCF), one for Automation and Nonautomation letters (AADL, 3-Digit, and 5-Digit), and another for ECR letters (Carrier Route, High Density, High Density Plus and Saturation Letters) ... .

"The reason for establishing these discounts ... is to enable the efficient flow of SCF pallets through the network. Also, SCF palletization reduces mail processing costs and improves service times by eliminating bundle or tray handlings and sortation in facilities upstream from the destination SCF or DSCF. These discounts are based on the costs that are avoided by grouping pieces on SCF pallets. These new discounts are similar to a series of discounts already in place for Carrier Route, High Density Flats, and High Density Plus and Saturation (including EDDM) Flats on Delivery Sort Container (in the past these containers were referred to as 5-Digit or 5-Digit Scheme and Direct Containers). ...

"... these new discounts will not adversely affect either the rates or the service levels of users of postal services who do not take advantage of them. The discounts are generally available, and for those mailers that do not take advantage of them, all other rates still exist.

"The Postal Service is introducing a new incentive for lightweight "marriage mail" within the Saturation rate category, both Letters and Flats. ... The Marriage Mail 2 oz. Incentive provides mailers with a 10% reduction, rounded to the nearest tenth of a cent, on the applicable price for Marketing Mail letter- and flat-shaped pieces mailed at Saturation rates when the following conditions are met:

- The marriage mail piece weighs 2 oz. or less;
- The marriage mail piece combines advertising inserts from at least four different advertisers; and
- The mailer mails these pieces in at least 10 separate mailings in each rolling 12-month period starting from when the incentive is first claimed, i.e., if a mailer claims the incentive price on May 1, then it must send pieces like these in at least 10 mailings before April 30 of the following year.

"Of 58 passthroughs in Marketing Mail, 30 passthroughs are equal to 100%, 15 are between 85 and 100%, 11 are below 85%, and 2 are above 100%. ..."

#### • Periodicals.

Product	Average Increase (%)
Outside County (overall)	8.080
Within County (overall)	8.811

"The total price authority for Periodicals is 8.122%, and the Postal Service intends to use all 8.122%, banking 0.000%. The strategies for price changes for Periodicals approved by the Governors are, as they were in the previous price case, Docket No. R2023-1, as follows:

- Accepting sacks containing flats only at Destination Sectional Center Facility (DSCF), Sorting and Delivery Centers (SDC), and Destination Delivery Units (DDU) to improve the operational efficiency for processing of bundles at different presort levels.
- Pricing bundles in sacks entered at facilities other than DSCF, SDC, and DDU as if they are in Mixed Area Distribution Center containers.
- Increasing editorial pound prices to recapture revenue as the makeup of pounds has shifted from advertising to editorial.
- Continuing to keep prices for tubs lower than prices for sacks to encourage more efficient mail handling.
- Maintaining the price differential between basic Carrier Route and Machinable Automation 5-Digit Flats to encourage the preparation of Carrier Route pieces and reduce costs for the Postal Service.

"... no Periodicals workshare discount exceeds avoided costs. While many Periodicals workshare discounts have passthrough ratios below 100%, the Postal Service is bringing all of them into compliance with [statute], either by ensuring that the pass-through ratio is at least 85% or by raising the discount by at least 20% ... ."

- **Package Services.** "In the FY 2022 *Annual Compliance Determination*, the Commission concluded that Media/Library Mail is a non-compensatory product in a compensatory class and is therefore subject to the requirements of [statute], and several products' passthroughs are below 85% or above 100%. The Postal Service is using nearly all available cap space in accordance with the pricing strategy described below to adjust prices and address these issues.

Product	Average Increase (%)
Alaska Bypass Service	4.205
Bound Printed Matter flats	2.528
Bound Printed Matter parcels	4.641
Media Mail/Library Mail	4.381

"First, to improve Media Mail/Library Mail's cost coverage, the Postal Service is applying an above-average rate increase of 7.38%. In FY 2022, Media/Library Mail had a cost coverage of 91.2%. This rate increase should improve Media/Library cost coverage.

"Second, BPM Flats will receive a rate increase of 3.537%. This rate increase is below the class average and is needed to balance out the Postal Service's above-average rate increase for Media/Library Mail. This BPM Flats rate adjustment will also address passthroughs issues discussed below. It is expected to provide additional revenue while maintaining healthy cost coverage for the product.

"Third, to balance out the Postal Service's above-average rate increase for Media/Library Mail, BPM Parcels will receive a rate increase of 3.468%. This rate adjustment will ensure all drop-ship products satisfy passthrough requirements. It is also expected to provide additional revenue.

"The final product in the class, Alaska Bypass, will receive a rate increase of 4.591%, which is also below-average for the class.

In FY 2022, 22 Package Services passthroughs were between 85 and 100%, while four passthroughs were below 85% and two passthroughs were above 100%. ...”

- **Special Services.** “In the FY 2022 ACD, the Commission found Special Services as a class covered its attributable cost in FY 2022 and had an overall cost coverage of 161.5%. Money Orders was the only Special Services product for which the Commission found FY 2022 revenue was insufficient to cover its attributable cost. As directed by the Commission ... the Postal Service must increase prices for 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. The 15.7% price increase here amply complies with this directive.”

Product	Average Increase (%)
Ancillary Services	4.851
International Ancillary Services	6.306
Address Management Services	3.477
Caller Service and Reserved Numbers	7.357
Credit Card Authorization	0.000
International BRM Service	5.865
Money Orders	15.696
Post Office Box Service	4.200
Stamp Fulfillment Services	5.447

- **Promotions.** “The Postal Service is offering six promotional discounts in calendar year 2023: Reply Mail IMbA; Retargeting Mail; Emerging & Advanced Technology; Informed Delivery; Personalized Color Transpromo; and Tactile, Sensory, and Interactive Engagement. Three of the promotions (Tactile, Sensory and Interactive Engagement, Emerging & Advanced Technology, and Informed Delivery) apply to both First-Class Mail and Marketing Mail pieces. Personalized Color Transpromo promotion, Retargeting Mail promotion, and Reply Mail IMbA Promotion apply to First-Class Mail pieces only.

“Calendar year 2024 promotions are projected to generate cap space in First-Class Mail (\$2.4 million, or 0.009%) and USPS Marketing Mail (\$14.9 million, or 0.087%). Due to anticipated success, the calendar year 2024 promotions will remain the same as calendar year 2023, with one change to the Emerging Technology Promotion. This change will allow the mailer to select the start date of their ‘limited-time’ period they would like to participate in the Emerging Technology Promotion.

- The Emerging and Advanced Technology promotion encourages mailers to incorporate mobile and other technologies into their mail pieces. Specifically, First-Class Mail letters, cards, and flats and Marketing Mail letters and flats that incorporate qualifying technologies will be eligible for a 3 or 4 percent discount, depending on the technology that is integrated with the mail piece. Three percent eligible technologies include Mobile Shopping, Enhanced Augmented Reality (AR), and Basic Integration with Voice Assistant. Four percent eligible technologies include Video in Print, NFC, Virtual Reality (VR)/Mixed Reality (MR), and Advanced Integration with Voice Assistant. Mailers will select a start date for a six-month promotion period within calendar year 2024.
- The Informed Delivery promotion seeks to continue increasing the adoption rate of the Postal Service’s Informed Delivery platform by offering an upfront 4% discount for mailings that incorporate best practices and techniques in their Informed Delivery campaigns and a 0.5% incentive for the mail preparer. First-Class Mail automation letters, cards, and flats and Marketing Mail automation letters and flats that meet the promotion’s requirements are eligible. The Postal Service plans to offer the promotion from August 1 through December 31, 2024.
- The Retargeting Mail promotion will provide a 5% discount to mailers on qualifying postage for First-Class Mail automation

postcards that are mailed in connection with website or app behavior during the established program period. Mailers must be preapproved prior to participation. The promotion will run from September 1 to November 30, 2024.

- The Reply Mail IMbA promotion will provide a 3% discount for mailers that use static IMbA on qualifying postage for First-Class Mail single-piece QBRM letters and postcards sent during the established period. Mailers receive a 6% discount if they use serialized IMbA. Mailers must enroll to participate. The promotion will run from July 1 through December 31, 2024.
- The Personalized Color Transpromo promotion enhances the value of First-Class Mail by encouraging mailers of bills and statements to incorporate color marketing messaging to foster a better connection and response from their customers. The promotion is intended to increase the value of First-Class Mail and encourage mailers to invest in color print technology. The Postal Service will provide an upfront 3% postage discount to mailers who use dynamic and variable color print for personalized, transpromotional marketing messages on their bills and statements that does not include Courtesy Reply Mail or Business Reply Mail, and mailers will receive a 4% discount for Courtesy Reply Mail or Business Reply Mail inclusion. Only First-Class Mail presort and automation letters containing bills and statements are eligible for this promotion. The Postal Service will offer this promotion from February 1 through July 31, 2024.
- The Tactile, Sensory and Interactive Engagement promotion encourages mailers to drive customer engagement with the mail using advanced print innovations in paper and stock, substrates, inks, interactive elements, and finishing techniques. By incorporating these print elements in a mail campaign, mailers may increase brand recognition and message recall by creating a multi-sensory experience for customers. First-Class Mail letters, cards, and flats and Marketing Mail letters and flats that meet the promotion requirements are eligible for an upfront 5% discount off postage during the promotion period from February 1 to July 31, 2024.”
- **Preferential rates.** “The Postal Service has complied with [statutory] requirements in this rate case, as explained below.
  - “... The Postal Service continues to recognize the preferential status of Within County Periodicals by keeping its prices below those of regular Outside County Periodicals.
  - “... Nonprofit and Classroom Periodicals receive, as nearly as practicable, a 5% discount from regular rate postage, except for advertising pounds..
  - “... [Science of Agriculture Periodicals] advertising pound rates for Destination Delivery Unit, Destination Sectional Center Facility, and Destination Area Distribution Center [will be set at] 75% of the advertising pound rates applicable to regular Outside County Periodicals. Advertising pound prices for Zones 1 & 2, and all other zones, are 75.0% of the rates applicable to regular Outside County Periodicals.
  - “... Nonprofit USPS Marketing Mail prices [must] be set to achieve an average revenue per piece that is, as nearly as practicable, 60% of the commercial average revenue per piece. The prices set forth in this Notice achieve a revenue per piece ratio of 60.1%. The Postal Service is also keeping nonprofit discounts equal to the comparable commercial discounts.
  - “... Prices for Library Mail [must] be equal to 95% of the corresponding Media Mail rate element. ...
  - “... [For] Outside County pieces of a Periodicals publication having fewer than 5,000 Outside County pieces and at least one Within County piece ... the Postal Service is maintaining the “limited circulation” discount that gives these mailers a discount equivalent to the Nonprofit and Classroom Periodicals discount.



## Questions Mailers May Ask

Commercial mail producers and their clients may be aware of a price increase but not really understand why or how it happens. As we did last year, below are answers to some of the questions they may have.

**When will the new rates be effective?** Barring any delays should the PRC find calculation errors in the USPS filing, the Postal Service will implement the new prices on July 9, 2023. If competitive product prices are increased, that will occur separately.

**How is the amount of needed revenue determined?** The Postal Service's costs drive the amount of revenue needed. Few costs are fully within its control: salaries and benefits are specified by contract or federal programs, the marketplace determines transportation and fuel cost, and retail and delivery costs are part of its universal service mandate. By law, rates must be set to cover a product's attributable costs and a share of USPS institutional costs.

**How are the size and timing of rate increases determined?** The 2006 postal reform law specified that the size of a price increase for USPS "market-dominant" products, like First-Class Mail, Marketing Mail, and Periodicals, is capped at an amount linked to the Consumer Price Index. The cap is determined by using separate formulae for an annual rate increase and for increases at shorter or longer intervals. The Governors of the USPS decide when to raise prices.

**Why have increase been so big?** The 2006 reform law that changed the ratesetting process also mandated a 2016 review by

the Postal Regulatory Commission to be sure it was working as designed. The PRC found the USPS' financial condition (caused largely by the prefunding mandate) was poor, causing it to conclude the ratesetting process was yielding too little revenue. In turn, the PRC revised the ratemaking process in November 2020 to give the USPS more rate authority, allowing over-CPI rate increases. The USPS is using all available rate authority because the Postmaster General wants to offset what he projects to be \$160 billion in losses over the next decade. Though many disagree with the projection and the size of the price increase, the Governors of the Postal Service supported the PMG and have authorized the filings.

**Why are some prices changing more or less than others?** The CPI cap is applied at the class level, and different rate cells can be adjusted to influence mailer practices or ensure logical rate relationships. The volume in each rate cell is multiplied by the amount of the corresponding proposed increase to calculate the total revenue derived for the class, and compliance with the cap. Also, some rates are adjusted because it's required, such as if a worksharing discount is too large or too small, or if a price isn't enough to cover the costs for the corresponding type of mail.

## PRC Releases FY 2022 Annual Compliance Determination

On March 29, the Postal Regulatory Commission issued its *Annual Compliance Determination* for Fiscal Year 2022 (October 1, 2021, through September 30, 2022).

(By statute, the Postal Service must publish an *Annual Compliance Report* within ninety days of the end of each fiscal year, reporting on its performance on a range of financial, service, and customer satisfaction topics; the ACR was published on December 29, 2022. In turn, by ninety days later, the PRC is required to review that report and issues its own conclusions in the ACD.)

Though this timeline allows for the collection of data and composition of the related text, the consequence is that any recommendations made by the commission about actions the USPS must or should take are not provided until halfway through the next fiscal year, likely too late for any meaningful actions to be planned and implemented until a year later.

### Overview

The 223-page report offers a topic-by-topic review of the Postal Service's ACR and the PRC's corresponding analysis, conclusions, and directives or recommendations. Generally, that content is summarized at the outset:

#### • Principal Findings: Market Dominant Rate and Fee Compliance.

"... the Commission identifies compliance issues related to workshare discounts that did not comply with the Commission's new regulations [that] are aimed at pricing efficiency, as measured by the passthrough ratio, which compares a discount's size with the cost that the Postal Service avoids when the workshare customer instead performs the relevant sortation and/or transportation activities. Under the Efficient Component Pricing (ECP) rule, which guided the Commission's approach, pricing efficiency is achieved when workshare discounts are set equal to their avoided costs (that is, produce passthroughs equal to 100%). The Commission's current rules allow for deviation from ECP in certain circumstances.

"For the three workshare discounts with passthroughs equal to 100%, the Postal Service cannot change the workshare discounts

in any rate adjustment proceeding occurring prior to the issuance of the FY 2023 ACD. For the 21 workshare discounts with passthroughs that exceed 100%, the Postal Service must bring the workshare discounts into compliance ... in the next rate adjustment proceeding. For the 39 workshare discounts with passthroughs below 85%, the Postal Service must bring the workshare discounts into compliance consistent ... in the next rate adjustment proceeding."

#### • Principal Findings: Market Dominant Non-Compensatory Products.

"... the Commission identifies non-compensatory products and classes, as well as fully compensatory classes, for Market Dominant products [and] differentiates non-compensatory products within non-compensatory classes and non-compensatory products within compensatory classes. The Commission's new regulations grant additional rate authority to non-compensatory classes and more strictly govern how rate authority must be used for non-compensatory products in compensatory classes. Collectively, the Postal Service lost \$1.32 billion in FY 2022 from non-compensatory classes and products.

"The Commission identifies one non-compensatory class, Periodicals, and two non-compensatory products within the non-compensatory class, Periodicals In-County and Periodicals Outside County. For Periodicals In-County and Periodicals Outside County, although these products experienced improvement in FY 2022, the Commission reiterates its longstanding finding that despite cost reduction initiatives and the maximization of its pricing authority, the costs of these products have risen in the long term, while unit revenue has been unable to keep up with changes in unit costs, negatively effecting cost coverage. The Commission encourages the Postal Service to continue to maximize its usage of rate authority ... to maximize its revenue by strategically pricing Periodicals.

"The Commission identifies five non-compensatory products within compensatory classes, USPS Marketing Mail Flats, USPS Marketing Mail Carrier Route, USPS Marketing Mail Parcels, Media Mail/Library Mail, and Money Orders.

"As it relates to USPS Marketing Mail Flats and USPS Marketing Mail Carrier Route, while cost coverage for both products

improved in FY 2022, the Commission finds that both products failed to cover their attributable costs and therefore the Postal Service must increase the price for each product by at least 2 percentage points above the class average in each generally applicable Market Dominant rate proceeding in which the Postal Service proposes prices for USPS Marketing Mail ... . The Commission also urges the Postal Service to continue to pursue cost reductions for both products.

“For USPS Marketing Mail Parcels, the Commission finds that while this product's cost coverage improved in FY 2022, the product still failed to cover its attributable costs and therefore the Postal Service must increase the price for this product by at least 2 percentage points above the class average in each generally applicable Market Dominant rate proceeding in which the Postal Service proposes prices for USPS Marketing Mail ... . The Commission also encourages the Postal Service to continue to expend a reasonable amount of resources given the size of the product to explore and implement opportunities to further reduce the unit cost of the product, and report on those opportunities and results in the FY 2023 ACR.

“For Media Mail/Library Mail, the Commission finds that while the cost coverage for this product improved in FY 2022, the product still failed to cover its attributable costs and therefore the Postal Service must increase the price for the product by at least 2 percentage points above the class average in each generally applicable Market Dominant rate proceeding in which the Postal Service proposes prices for Package Services ... .

“For the Special Services product Money Orders, the Commission finds that the cost coverage for Money Orders improved in FY 2022. However, the product still failed to cover its attributable costs and therefore the Postal Service must increase the price for this product by at least 2 percentage points above the class average in each generally applicable Market Dominant rate proceeding in which the Postal Service proposes prices for Special Services ... . The Commission also encourages the Postal Service to look for ways to reduce product costs, including the reduction of window service costs.

“The Commission identifies one fully compensatory class, First-Class Mail, in which all products covered their attributable costs.”

- **Principal Findings: Competitive Products Rate and Fee Compliance.** “... the Commission finds that revenues for Competitive products as a whole exceeded incremental costs. As such, Competitive products were not subsidized by Market Dominant products during FY 2022 [and, c]ollectively, Competitive products satisfied the appropriate share requirement ... . Moreover, while most Competitive products' revenues covered their attributable costs ... revenues for five Competitive products did not do so” (International Money Transfer Service – Inbound; International Money Transfer Service – Outbound; Competitive International Ancillary Services, and two negotiated service agreements. “The Commission directs the Postal Service to take corrective action as it relates to these products except for [one NSA] which expired during FY 2022 and was not renewed.

“The Commission also gathered additional information as it relates to a Pilot Program being run by the Postal Service which allows postal retail customers to use payroll and business checks to purchase stored value Gift Cards, which is a Competitive product. Questions remain with regard to this time-limited Pilot Program. ...

“Finally, as it relates to the Postal Service's agreement with other government agencies for the provision of nonpostal products (also known as Interagency Agreements (IAAs)), the Commission finds that the Postal Service's IAAs provided a net contribution to the Postal Service ... . For these IAAs, the Commission recognizes that there is a need to establish an accepted methodology (or

methodologies) for calculating the revenue and attributable costs associated with IAAs entered into by the Postal Service ... . Therefore, the Commission directs the Postal Service to develop a proposed methodology (or methodologies) for calculating and attributing costs and revenue to interagency agreements entered into by the Postal Service [and] file this proposed methodology (or methodologies) by initiating a rulemaking proceeding (or proceedings) ... no later than May 31, 2023.”

- **Principal Findings: Service Performance.** “... the Commission finds that a significant number of Market Dominant products failed to meet their service performance targets for FY 2022 and directs the Postal Service to take corrective action. Of the 27 Market Dominant products/categories measured, 13 products/categories (48%) did not meet their targets in FY 2022, and some were substantially below the applicable target.

“The Postal Service met its service performance targets for 14 Market Dominant products/categories in FY 2022:

- four First-Class Mail categories (2-Day Single-Piece Letters and Cards and Overnight, 2-Day, and 3-5-Day Presorted Letters and Cards),
- four USPS Marketing Mail products (Letters, Carrier Route, Parcels, and High Density and Saturation Letters),
- both Periodicals products (In-County and Outside County),
- one Package Services product (Bounded Printed Matter (BPM) Parcels), and
- three Special Services products (International Ancillary Services, Money Orders, and Stamp Fulfillment Services).

“Service performance results for the following Market Dominant products did not meet their targets and were found to be out of compliance in FY 2022:

- four First-Class Mail products (3-5-Day Single-Piece Letters/Postcards, Flats, Inbound Letter Post, and Single-Piece Outbound International),
- three USPS Marketing Mail products (High Density and Saturation Flats/Parcels, Flats, and Every Door Direct Mail – Retail (EDDM-R)),
- two Package Service products (BPM Flats and Media Mail/Library Mail), and
- two Special Services products (Ancillary Services and Post Office Box Service).

“The Commission directs the Postal Service to improve service performance results to achieve the applicable on-time percent target level for these non-compliant products in FY 2023. The Commission has also specifically developed directives that are designed to elicit information and data from the Postal Service regarding service performance for non-compliant products and the steps that the Postal Service will take to restore service performance for those products in FY 2023. These directives include continued Postal Service reporting of specific information developed from its internal metrics within 90 days of the issuance of this Report and as part of its FY 2023 ACR.”

The opening section of the ACD also included a review of the PRC's recent rulemaking to define the “analytical principles” that would apply to how the forgiveness of USPS “prefunding” obligations (by last April's *Postal Service Reform Act*) would be treated for accounting purposes. (The PRC declined to adopt a proposal by a group of industry associations, resulting in the calculations yielding the Postal Service about \$400 million in additional pricing authority.)

Many of the cost coverage and service failure issues are not new and remain chronically unremedied. It's likely the pattern will continue next year but that remains to be seen.

## MTAC News and Notes

The year's second meeting of the Postmaster General's Mailers Technical Advisory Committee was held March 28-29 at USPS Headquarters. Being only eight weeks since the first meeting, the format was adjusted to allow better focus on specific topics.

### The PMG

As usual, Postmaster General Louis DeJoy opened the Tuesday session, and again offered comments about progress on implementation of his 10-Year Plan. Also as usual, he invited comments and questions from the audience but, again as usual, he quickly bridled if those were critical or not supportive of his Plan.

On this occasion, some questions included mention of declining mail volume and linked it to the frequency of the price increases that he's imposed. The PMG rejected any connection of his pricing policy to volume loss; he asserted that mail volume decline has been ongoing for years and that frequent price increases have nothing to do with it – ignoring the increased pace of decline since semi-annual increases have been implemented.

Inexplicably, he fails to understand why representatives of mailers and ratepayers are concerned, or not supportive of his aggressive pursuit of revenue. To him, the current pricing model, implemented in 2006, has meant that the USPS has been "subsidizing" mailers ever since, and the Postal Regulatory Commission – that ensures compliance with the pricing regime – has somehow impaired the Postal Service from getting the added revenue DeJoy believes it is due.

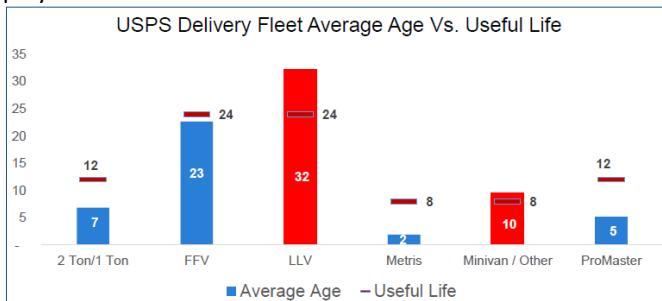
Unfortunately, the PMG has overlooked the principle underlying the 2006 ratesetting model – that the USPS should live within the boundaries of cost-of-living-based rates, something it's never done; service demands of ratepayers are the problem, not management's failure to control costs.

In one of those candid comments that reveal his mindset, he remarked that MTAC is formally titled *the Postmaster General's Mailers Technical Advisory Committee*, implying that – to him – it's supposed to support his initiatives, not criticize or complain. Many in attendance took that to be a thinly-veiled threat that his already low tolerance of critics may not extend to continuing to host them at meetings like MTAC.

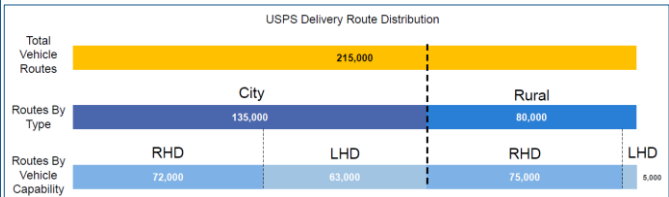
### Other matters

The meeting included three primary presentations:

**Electric vehicles.** Justin Glass, Director, Fleet Management, offered an update on the Postal Service's acquisition and deployment of new conventional and electric vehicles.



Noting that the majority of the Postal Service's fleet is at or past its useful service life, replacements are urgently needed to support service on the agency's vehicle delivery routes.



Much of the nature of the Postal Service's usage could not be satisfied by off-the-shelf vehicles, requiring development of the purpose-built Next Generation Delivery Vehicle.

Nonetheless, for where suitable, the agency is buying 9,250 Ford E-Transit electric vans to supplement the 60,000 NGDVs being ordered initially. Interestingly, Glass noted that deployment of electric vehicles will "complement" the activation of sorting-and-delivery centers which, he added, would be "more likely to support the power and infrastructure needs required by an electric fleet."

**Sorting and Delivery Centers.** Appropriately next was Chief Retail and Delivery Office Joshua Colin to update the audience on S&DC implementation. The "Phase 1 goals" of the project include "easier standardization of management of operations"; improved "building and operating conditions for employees"; enabling "customer service and local commerce opportunities"; and efficiencies in transportation and mail handling costs."

Activated S&DCs at this point are Athens (GA), Bryan (TX), Gainesville (FL), Panama City (FL), Utica (NY), and Woburn (MA). Future activations or the number of routes being consolidated wasn't mentioned.

Future phases of the S&DC rollout include the facilities being an "electric vehicle hub," presumably for postal EVs, not public charging, and enabling more delivery points within "reach of USPS Connect," an "improved collection process," "versatility in driver and vehicle," and "other products and services," though what those might be was not explained.

**Chief Information Officer** Pritha Mehra spoke about a range of initiatives being undertaken to support the PMG's 10-Year Plan; steps being taken to intercept packages with counterfeit postage; the design and components of an "Integrated Logistics Ecosystem"; development of a "Modern Integrated WAN Infrastructure" to provide "99.99% network availability"; the capabilities of the Postal Service's "next generation API platform"; the features and benefits of USPS Ship (for package shipments) compared to the current eVS tool; enhancements planned for Informed Visibility in fiscal years 2023 and 2024; a tool for CRID-based viewing of service performance measurement exclusions; and deployment of CASS Cycle O on August 1.

The March MTAC meeting agenda and presentations are available at <https://postalpro.usps.com/mtac#anchor-4>. The next MTAC meetings will be July 18-19 and October 17-18, all at USPS Headquarters. Non-MTAC representatives wishing to attend should contact their association executives.



## Mailer Groups Frustrated Again by PRC Decisions

As reported in the March 27 issue of *Mailers Hub News*, a March 17 decision by the Postal Regulatory Commission rejected industry arguments over how the Postal Service should treat the “one-time reversal of \$59.6 billion for retiree health benefits that had been accrued but unpaid as of March 2022” provided by the *Postal Service Reform Act of 2022*, enacted last April 6.

The Postal Service and the commission had exchanged letters on the matter, agreeing that the money could be treated one way for accounting purposes but differently for reporting purposes. This was relevant to how the amount would be reported in the agency’s *Annual Compliance Report* and, in turn, verified by the PRC in its subsequent *Annual Compliance Determination*, specifically regarding calculation of the Postal Service’s “density” rate authority adder.

After mailer groups raised objections, the commission withdrew its initial approval for the USPS approach and initiated a rulemaking to consider a change in the “analytical principles” governing how postal costs are calculated. After due consideration, the PRC rebuffed any proposed changes and restored the decision contained in its letter to the Postal Service months earlier.

### Meanwhile

Concurrently, various mailer groups had proposed other changes to “analytical principles.”

Contained in a petition filed last December 19, “Proposal One” was an alternative approach for how “to include, accrue, and attribute retiree health benefit normal costs in the Postal Service’s and Commission’s reporting and analysis of fiscal year (FY) 2022 and future years.” It generally aligned with the earlier arguments of the mailers groups and was presented as “an alternative” should those arguments be rejected, as they were.

In an order issued March 27 (No. 6464), the commission dismissed that industry proposal as well. The 60-page order summarized the opposing arguments of the mailer group and the Postal Service, largely paralleling those used in the earlier rulemaking, but the commission’s reasoning rested not on an evaluation of accounting and reporting disciplines but on another equally subjective criterion. As the commission stated:

“Proceedings ‘to improve the quality, accuracy, or completeness of Postal Service data required by the Commission’ may be initiated by the Commission if ‘the attribution of costs or revenues to products has become significantly inaccurate or can be significantly improved.’ When a petition to change accepted analytical principles is filed by any party, the Commission’s general practice is to provide notice of the proposed changes as filed (without evaluation of the merits) and to initiate a rulemaking proceeding to evaluate the merits of the proposed changes. Thus, in Order No. 6430, the Commission provided notice of its intent to consider the merits of NPPC et al. Proposal One consistent with its general practice. ... In determining whether to adopt or reject proposed changes, the Commission’s practice is to apply the statutory standard of 39 USC § 3652(e)(2) and adopt only proposals that it determines ‘improve the quality, accuracy, or completeness of Postal Service data required by the Commission’.

“After review of the record before the Commission, the Commission finds that adoption of NPPC et al. Proposal One would not ‘improve the quality, accuracy, or completeness of Postal Service data required by the Commission’ as compared to continuing to apply the current accepted analytical principles. ...”

Separately, on February 10, the Postal Service had petitioned the commission to initiate a rulemaking “to change an analytical principle underlying the Postal Service’s periodic reports,” its own “Proposal One.” As summarized by the PRC:

“Proposal One seeks to update the Postal Service’s methodology for calculating workshare discount passthrough percentages for dropshipped, flat-shaped USPS Marketing Mail pieces.

“The Postal Service explains that, in its next notice of rate adjustment for Market Dominant products, it intends to revise its pricing for flat-shaped USPS Marketing Mail pieces with piece and pound price components by using a pricing structure ‘based primarily upon pieces’ rather than one based upon pounds. The Postal Service states that, under this revision, every piece, regardless of weight, will pay a fixed per-piece price that will vary based on entry. The Postal Service also explains that pieces heavier than the breakpoint will pay a per-pound price for pounds above the breakpoint. Moreover, all dropship discounts will be ‘piece-price based,’ and pound prices will not vary by dropship entry point.

“The Postal Service asserts that, by replacing the old structure ‘with the new structure based upon pieces rather than pounds, workshare discount passthrough percentages cannot vary with the different weights of the pieces mailed because passthrough percentages will be calculated independently of the volumes and weights of pieces mailed.’ Therefore, according to the Postal Service, ‘the new pricing paradigm removes the underlying cause of the problem where it was difficult, and sometimes impossible, for the Postal Service to make passthrough percentages for some flat-shaped [USPS] Marketing Mail pieces comply with [statutory requirement]. The Postal Service asserts that its proposal ‘will allow the Postal Service to retire the current methodology for calculating workshare discount passthrough percentages at issue here and use the same methodology as it uses for most other products, dividing the per-piece discount by the per-piece cost avoidance ... ’”

The proposal was opposed by mailer groups as changing, but not improving, the accuracy of how mail preparers’ work is reflected when calculating worksharing discounts, and could lead to price signals encouraging inefficient mail entry.

In its order on the petition (No. 6474), issued April 6, the PRC again invoked the criterion that a proposed change “improve[s] the quality, accuracy, or completeness of the data or analysis of data contained in the Postal Service’s annual periodic reports to the Commission.” In this case, the commission found that “that Proposal One improves the quality and accuracy of the calculation of USPS Marketing Mail Flats workshare discount passthroughs.” The PRC added that “Should the commenters wish to explore the issues of the fairness and efficiency of the Postal Service’s planned rates, they may do so in the upcoming rate docket.”

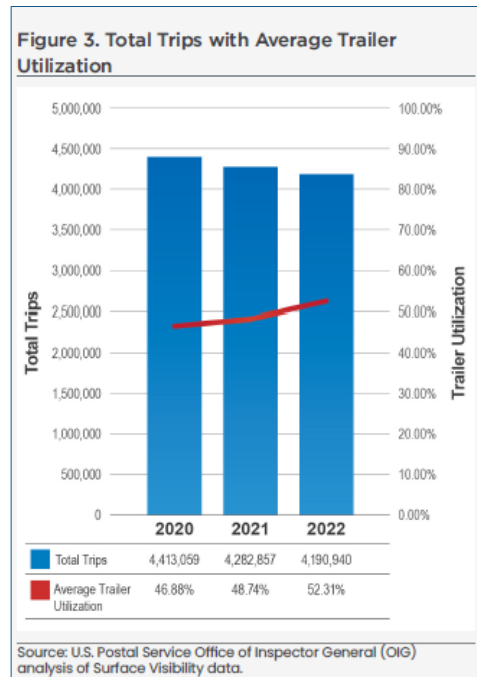
This series of rejections by the commission has fed industry concerns that the PRC has become too deferential to USPS positions, and is constructing rationales that reflect a preference for passive, rather than active, regulation of the agency.

## OIG Evaluates USPS Trailer Utilization

Ever since beginning his tenure, PMG Louis DeJoy has complained that the trucks hauling mail aren't full, i.e., that transportation is inefficient and moving too much air.

Looking at this situation more objectively, the Postal Service's Office of Inspector General audited USPS vehicle capacity usage and published its findings in a March 30 report, *Assessment of US Postal Service Trailer Utilization*.

### Looking at the facts



As background, the OIG noted:

“Trailer utilization measures how many containers of mail are on a trailer compared with the number of containers that could be loaded on to a trailer. Maximizing trailer utilization means ensuring that trailers are as close to capacity as is practicable for each trip. The Postal Service pays HCRs for routes taken, regardless of how much mail or equipment is being moved. ...

“In FY 2022, Surface Visibility calculated trailer utilization based on container square feet and trailer length. To ensure an accurate trailer utilization calculation, users must choose the correct trailer length and also correctly perform load scans. When a container is loaded on to a trailer, a Postal Service employee scans a label with a barcode that is attached to the container. This scan is called a load scan. These scans let the Postal Service know how many containers are loaded on a trailer. Surface Visibility does not calculate utilization based on stacked containers or cubic feet.

“However, the Postal Service is adjusting its calculation of trailer utilization to include unload scans to correct missing load scans for each leg, double stacking containers, and container capacity.

- **“Finding #1: Underutilized Transportation.** The Postal Service has opportunities to improve its management of trailer utilization. Specifically, in FY 2022, 83 out of 441 facilities (about 19%) were below the target utilization National Performance Assessment goal of 40%. The Postal Service has increased its emphasis on developing initiatives to address underutilized transportation. However, trips were still underutilized because Postal Service employees were not consistently monitoring and adjusting transportation schedules and completing load scans. ... According to policy, Postal Service management should perform dispatch discipline reviews at all processing facilities on a semiannual basis, at a minimum. These reviews ensure that processed mail volumes are moved as planned to meet intended transportation and that they achieve the best possible service at the most cost-effective rate. “During our analysis of utilization data, we judgmentally selected a sample of 30 facilities to review from the 83 facilities with trailer

utilization below 40% in FY 2022. We identified 28,113 trips (about 36%) that had trailer utilization below 40% and 6,909 trips (about 9%) that ran empty (zero trailer utilization). ...

“Trips run empty for different reasons. For example, it may be a roundtrip where the trailer departs empty but will pick up mail at the next destination or a trip delivering mail at a destination may return empty because there is no mail to pick up. Another example would be empty mail containers, which do not receive a load scan, being picked up or dropped off at another facility. During our audit, we identified potential opportunities for the Postal Service to reduce or eliminate redundant trips and trips that run empty. By modifying or eliminating these trips, the Postal Service could improve trailer utilization and reduce transportation costs. ...

“Trailer utilization was inaccurate due to load scans not being consistently completed. When a container does not receive a load scan, the number of containers recorded on a trailer will be lower than what is actually there because these scans let the Postal Service know how many containers are loaded on a trailer. Load scans are crucial and inform the Postal Service how full a trailer is. ... Postal Service policy states employees are required to perform load scans to ensure 100% mail visibility and management should ensure employees are scanning containers before loading them onto a trailer.

“When containers do not receive a load scan, Postal Service management does not have accurate scan data to measure performance and make operational decisions or determine if trailers are underutilized.”

### Recommendations

The OIG offered two recommendations:

- “... coordinate with transportation management at sites with trailer utilization below 40% to identify underutilized trips for the Trip Reduction of Underutilized Transportation team to review and approve for elimination.
- “... develop a plan to increase load scan scores to meet or exceed the National Performance Assessment scanning goal at each facility nationwide.”

In turn, the OIG reported the Postal Service's response:

“Management agreed with the finding; agreed with recommendation 2; but disagreed with recommendation 1. ...

“Regarding recommendation 1, management stated that they already have a process in place that addresses underutilized trips. Specifically, management stated that in FY 2021, a dashboard was created to identify trips that were underutilized; headquarters provides a monthly file to the field showing all trips that have an average utilization under 35% for the prior 60 days; and each division is supposed to identify underutilized transportation and coordinate with headquarters to determine action necessary to improve utilization performance. Furthermore, management noted that headquarters and the field are completing a ‘Ground Initiative’ to consolidate and streamline trips.

“Regarding recommendation 2, management stated that Logistics will partner with Processing to review opportunities for load scans. The target implementation date is April 30, 2023.”

The findings raise other questions: Why is employee compliance with policies and procedures still an issue? Is training inadequate, or supervision ineffective? If trailers that aren't full carry containers that aren't full, should smaller containers be used that can be stacked? Should smaller trucks be used instead of trailers? If a significant number of partially-filled containers are being moved on half-full trailers, should containers and vehicles be sized to expected loads?



## OIG Examines USPS Election Mail Performance

Last January 9, the Postal Service released its *2022 Post-Election Analysis*, a self-evaluation of how well it handled election mail and ballots during the late 2022 election season. In that document, the agency claimed that, of the 54.4 million ballots it identified over the period, it delivered 98.96% within three days, 99.82% within five days, and 99.93% within seven days, adding it took “less than two days [on] average to deliver completed ballots from voters to election officials.”

### An objective review

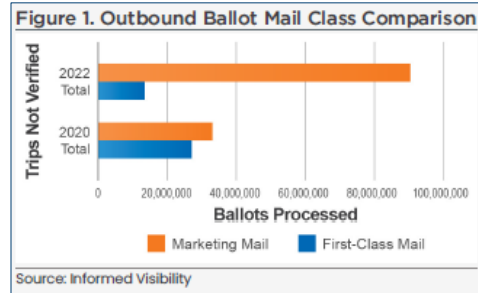
In an audit report released March 27 (*Service Performance of Election Mail for the 2022 Mid-Term Elections*), the Postal Service’s Office of Inspector General reported that, while the USPS did a good job, it wasn’t as flawless as the agency had claimed.

- **“Finding #1:** Postal Service Prioritized Processing and Delivery of Election Mail. The Postal Service displayed commitment to timely processing and delivery of Election Mail during the 2022 election cycle. From April 1, 2022, through December 31, 2022, the Postal Service processed and delivered over 82 million identifiable and measurable ballots sent to voters (outbound) with 97.3% delivered on-time. This was an increase from the 2018 (95.6%) and 2020 (96.6%) elections and nearly six percentage points higher than the target. To ensure the highest level of service performance, the Postal Service prioritized Election Mail by enacting several key practices and extraordinary measures.

“Specifically, the Postal Service instructed personnel to implement the following key practices: complete all clears and daily logs to ensure all Election Mail is accounted for and dispatched; authorize Election Mail entered as Marketing Mail to be advanced and processed expeditiously as First-Class Mail; ensure that every return ballot mailed by voters receives a postmark; authorize extra delivery and collection trips to ensure Election Mail continues to move through the Postal Service’s network to reach the appropriate election official by the state’s Election Day deadline; authorize the use of overtime where needed to deliver Election Mail on time; [and] use extra transportation resources as necessary to ensure Election Mail reaches its destination as quickly as possible.

“The Postal Service also implemented the following extraordinary measures between October 24, 2022, and November 29, 2022, going above and beyond normal operations to accelerate and ensure proper handling and timely delivery of Election Mail: use Priority Mail Express to move Election Mail; search all trays and tubs to extract Election Mail; extend opening times; provide drive-through ballot drops; provide additional collections; use alternate transportation options; [and] hold ballots for direct delivery to election offices.”

- **“Finding #2:** Postal Service Incurs Additional Costs Associated with the Processing and Delivery of Election Mail. While the prioritization of Election Mail and implementation of key practices and extraordinary measures help ensure Election Mail is processed and delivered on time, they also impacted revenue and costs for the Postal Service. Key practices such as the use of overtime and extra transportation trips to deliver Election Mail on time impacted costs. In addition, for Election Mail, the Postal Service authorized Marketing Mail to be processed expeditiously as First-Class Mail despite the difference in service standards and revenue received. Election Mail sent as Marketing Mail has a three-to-ten-day service standard, but was processed and delivered as First-Class Mail, which has a one-to-five-day service standard. During the 2022 election cycle, from April 1, 2022, through December 31, 2022, the Postal Service processed 103,976,948 identifiable outbound ballots, of which 90,310,092 (87%) were



mailed as Marketing Mail. From total pieces measured, the percentage of ballots sent as Marketing Mail increased approximately 34% while the percentage of

ballots sent as First-Class Mail decreased nearly 34% from 2020. The Postal Service receives approximately 25 cents less in revenue per piece for Marketing Mail than it does for First-Class Mail; therefore, the Postal Service could have potentially earned an additional \$23 million in revenue. Further, the Postal Service incurred unquantified costs, associated with the implementation of Election Mail key practices and extraordinary measures.”

- **“Finding #3:** Issues with Compliance Did Not Appear to Impact Timely Processing or Delivery of Election Mail. We found that while the Postal Service was not always in full compliance with their policies and procedures for the processing and delivery of Election Mail, it did not appear to impact the Postal Service’s ability to process and deliver Election Mail timely. The policies and procedures implemented by the Postal Service included:
  - Completing daily checks to ensure the facility was clear of Election Mail (daily all clears).
  - Completing the Political Mail and Election Mail Audit Checklist.
  - Completing the Political Mail and Election Mail Clean Sweep Checklist.
  - Completing the Political Mail and Election Mail Log.
  - Creating a Political Mail and Election Mail staging area.
  - Postmarking all return ballots.
- **“Finding #4:** Ballots Excluded from Service Performance Measurement. During our review, we found the Postal service was able to measure service performance for over 82 million (or 79.1%) of the 103 million identifiable outbound ballots, which was a higher percentage than the 2020 election. The Postal Service can only measure service performance when ballots are sent full service and receive processing scans. Mailpieces are excluded when they do not comply with business rules or are missing key scan data to be included in service performance measurement. Mailpieces can be excluded from service performance measurement because of mailer or Postal Service issues.”

Table 4. Identifiable Outbound Ballots Included and Excluded from Service Performance Measurement from April 1, 2022, through December 31, 2022

Mail Class	Total Ballots	Ballots Excluded from Measurement	Ballots Included in Measurement	Percent of Ballots in Measurement
First-Class	13,666,856	4,584,937	9,081,919	66.5%
Marketing	90,310,092	17,137,752	73,172,340	81.0%
Total	103,976,948	21,722,689	82,254,259	79.1%

Source: Informed Visibility.

The OIG offered two recommendations:

- “... develop a plan to analyze costs associated with the processing and delivery of Election Mail and explore opportunities to be compensated for the implementation of Election Mail key practices and extraordinary measures.
- “... evaluate if all current Election Mail policies are necessary and eliminate redundancies.”

The OIG noted that USPS “management generally agreed with the findings [and] recommendations.”

## Miscellany

### New VPs

The Postal Service's executive ranks are growing again with the recent announcement of three new vice-presidents.

- In an *Industry Alert* distributed March 28, it was announced that Ronnie J. Jarriel was chosen for the new position of **VP of Fleet Management and Electrification Strategy**, reporting directly to the PMG. This new team will have end-to-end responsibility for fleet management, starting with the design and development of vehicles through acquisition and deployment. It will consist of the Fleet Management organization, including the Vehicle Maintenance Facility, Vehicle Center of Excellence, and Next Generation Delivery Vehicle groups, and the contracting teams responsible for Vehicles and Delivery. Prior to his time with the Postal Service, Ron held senior leadership roles at both XPO Logistics and New Breed Logistics.
- As reported by the agency's *Link* on March 31, it's established a new position, **VP and chief data and analytics officer**, as part of the its "effort to improve efficiency." The CD&AO will be responsible for managing enterprise data sources and coordinating analytics throughout the organization. Stephen M. Dearing was selected to fill the new role on an acting basis and will report to Chief Information Officer Pritha Mehra. The Enterprise Analytics group will be part of the CIO organization as a result of this move.
- On April 4, *Link* carried the announcement that John M. Dunlop has been appointed **VP for plant and process modernization**, reporting to Chief Technology Officer Scott Bombaugh. The plant and process modernization team was established last year to focus on investing in the Postal Service's mail and package processing network. Dunlop began his career with the Postal Service as a mechanical engineer in the mechanization division of Facilities in 1989.

With the latest additions, the PMG now has 49 subordinate executives ranked VP or higher, 13 (36%) more than there were in June 2020 – the only area of noticeable growth for the agency.

Given the Postal Service's declining volume, continuing financial losses, and dubious service performance, it's unclear how this burgeoning of the senior ranks will provide any benefits to the ratepayers who pay the salaries.

### From the USPS OIG: Stopping COVID-Related Benefits Fraud

The Coronavirus Aid, Relief, and Economic Security Act — commonly known as the CARES Act — provided trillions of dollars to Americans who were hit hard financially by the pandemic. Fraudsters quickly tried to get their hands on some of that money, which is why the federal Pandemic Response Accountability Committee (PRAC) was established. PRAC works with multiple partners, including the USPS OIG when Postal Service employees may be involved, to safeguard CARES funds by identifying and investigating instances of possible fraud.

In one case, for instance, we received information about four USPS employees in California involved with suspicious money orders. Working jointly with the Department of Labor Office of Inspector General, IRS Criminal Investigation, and the state's Employment Development Department (EDD), OIG special agents determined the employees were fraudulently obtaining unemployment benefits provided by the CARES Act. Having made false claims of COVID-related job losses, they used the unemployment benefits to buy and cash tens of thousands of dollars' worth of postal money orders. They also fraudulently obtained EDD-issued debit cards in other peoples' names and used them to withdraw cash from ATMs.



Sometimes they deposited the cash in their own personal bank accounts. In a 16-day period, one employee put \$27,000 into his own account, while another dropped \$10,000 into his. Ultimately, all four employees were able to fraudulently obtain nearly \$200,000 in COVID-related benefits.

All four were fired from the Postal Service. Two of the cases were handled administratively, while two others resulted in federal criminal charges. The two former employees who were charged pleaded guilty, and both received three years of probation followed by one year of home detention. Both were also ordered to pay a combined restitution of almost \$185,000.

The OIG takes fraud very seriously, especially pandemic relief fraud, which hurts the people who need these benefits the most. We will continue to vigorously pursue cases involving USPS employees. If

you're aware of any instances, please [let us know via our Hotline](#).

### Important Updates on State Sales and Use Taxes

Starting next week, our legal advisors from Brann & Isaacson will be following up their February 21 webinar, “*Bad News About Sales Tax: The Tax Man Cometh*” with a three-part series, “*State and Sales Taxes: A Deeper Dive*.” This webinar series will address the aspects of possible tax exposure your company faces, how to minimize those factors, and how to do it BEFORE a state tax agency comes knocking, asking for money, or worse yet, initiating an audit.

**Part 1: Thursday, April 20:** Itemization of charges on invoices (into taxable and nontaxable items); terms and conditions and other contractual provisions; arbitration; and overall the best practices.

**Part 2: Thursday, April 27:** Ways to maximize exemptions from tax; satisfying the exemption requirements where available; the taxability and exemption of postage/shipping; and sourcing issues.

**Part 3: Thursday, May 11:** A deeper look at other state taxes to be wary of, including income taxes, gross receipts taxes, and other franchise taxes. (Please note the date of this session has been updated since the initial email was distributed.)

All webinars begin at 1pm EDT and will run about 60-75 minutes.

Register at <https://mailershuh.com/2023/04/just-announced-state-sales-tax-deep-dive-webinars/>. Mailers Hub subscribers: \$199 for the first registrant, and \$169 for each additional registrant from the same organization. Non-subscribers, those fees are \$399 and \$349, respectively. Each registration includes all three sessions; sessions are not available individually.

## All the Official Stuff

### Federal Register

#### Postal Service

##### NOTICES

**March 29:** Product Change [2]: Priority Mail Negotiated Service Agreement [2], 18590-18591, 18591.

**April 6:** International Product Change: Priority Mail Express International, Priority Mail International, and First-Class Package International Service Agreement, 20564.; Privacy Act; Systems of Records, 20564-20567.

##### PROPOSED RULES

[None].

##### FINAL RULES

[None].

#### Postal Regulatory Commission

##### NOTICES

**March 31:** New Postal Products [2], 19333-19334, 19334.

**April 4:** New Postal Products [2], 19993-19994, 19994-19995.

**April 7:** New Postal Products, 20922.

**April 10:** New Postal Products, 21213-21214.

##### PROPOSED RULES

**April 7:** Postal Costing, 20787-20788.

##### FINAL RULES

[None].

#### DMM Advisory

**March 28:** Monthly Labeling Lit Changes.

**March 29:** International Service Resumption Notice – effective March 31, 2023 [Chad].

**April 5:** UPDATE 258: International Mail Service Updates Related to COVID-19 [China].

### Postal Bulletin (PB 22621, April 6)

- Effective **July 9**, DMM 507.4.2.6 and 705.23.5.2 are revised to update information about address-correction requests and to remove a standard regarding hard copy address-correction notice options for Full-Service and Seamless Acceptance mailers. The Postal Service will no longer offer to publishers and Full-Service and Seamless Acceptance mailers the option to request and submit PS Forms 3547, *Notice to Mailer of Correction in Address*, and PS Form 3579, *Notice of Undeliverable Periodical*, to correct address information. Full Service and Seamless Acceptance mailers and publishers who desire address-correction information from [UAA] mail will be required to receive address-correction notices electronically via Address Change Service (ACS). Periodical publishers, and mailers who apply the ancillary service endorsement “Address Service Requested” or “Change Service Requested” to their mail, will receive ACS notices via the Data Distribution Dashboard from the Business Customer Gateway or by enrolling in the Electronic Product Fulfillment secure website at [epf.usps.gov](https://epf.usps.gov). ...
- Effective **July 9**, DMM 507.2.1.5 is revised to reflect a change in the requirements for individuals to file a change-of-address (COA) order. Under new Postal Service requirements, individuals may not file a COA request for someone other than themselves, or for a business, without authorization (i.e., notarized letter or letter on company letterhead) showing they are an authorized agent of the person(s) or business that is moving.
- Effective **April 6**, IMM 112, 123, and 537 are revised to provide information regarding Harmonized System (HS) codes and other classification codes.
- Effective **April 6**, IMM Exhibit 533 is revised to reflect additional items requiring an Internal Transaction Number for export, re-export, or transfer (in country) of “luxury goods” to Belarus and Russia imposed as of February 27, 2023.

### USPS Industry Alerts

March 27, 2023

#### Networking Opportunities & Closing Event at the National Postal Forum

The NPF (National Postal Forum) is a target-rich environment for building professional relationships within the mailing and shipping industry. Enjoy special networking events where like-minded attendees exchange ideas, learn, and inspire each other. It’s a chance to make new friends, reunite with those you already know, and come away with winning strategies designed to accelerate your company into the future. **NPF Welcome Reception:** Sunday, May 21 from 5:30 PM – 7:00 PM – Richardson Ballroom Terrace. NPF hosts a Welcome Reception for all attendees. Acquaint yourself under the sparkling lights of the Charlotte skyline with colleagues and meet new industry professionals as we celebrate the commencement of the Forum. **PCC Welcome Reception:** Monday, May 22 from 5:30 PM – 7:00 PM – Crown Ballroom. Your Host, Headquarters National Postal Customer Council (PCC), will be giving away special PCC lapel pins so arrive early to receive one and be sure to bring your PCC lapel pins and exchange them with other PCC members. After you finish your culinary delights, get ready to unwind on the dance floor with a local DJ. **Exhibit Hall Reception:** Tuesday, May 23 from 4:00 PM – 5:30 PM – NPF Exhibit Hall. The NPF Exhibitors are hosting this reception for all to attend. Meet and greet and network with innovative service and product specialists in a relaxed no-pressure environment on the Expo Hall floor. **NPF 2023 Closing Event:** Wednesday, May 24 from 7:00 PM – 10:00 PM – NASCAR Hall of Fame. What a fitting venue to revel another NPF win – the NASCAR Hall of Fame! Adjacent



to the Charlotte Convention Center, all attendees are invited to celebrate the Forum. In the spirit of winning, experience the history and heritage of NASCAR and participate in the many interactive exhibits, movie theater, the Hall of Honor and more. Enjoy exhilarating entertainment, savory dishes, and beverages. The venue will be closed to the public, open exclusively for NPF. Be part of the excitement and celebration of NPF. To register, click this link: [NPF](#). **Mailers Hub subscribers get a discount on NPF registration ... see p. 13.**

March 28, 2023

**Executive Officer Announcement: Vice President, Fleet Management & Electrification Strategy**

Postmaster Louis DeJoy has announced Ronnie J. Jarriel, as the Vice President of Fleet Management and Electrification Strategy (ES), a newly created role effective, April 8. Reporting directly into the Postmaster General, this organization will drive the strategy to accelerate the acquisition and deployment of our new vehicle fleet, to include the new electronic vehicles (EV) and associated infrastructure in support of our strategic agenda. It will consist of the Fleet Management organization, to include the Vehicle Maintenance Facility, the Vehicle Center of Excellence team, the Next Generation Delivery Vehicle group, and the contracting teams responsible for Vehicles & Delivery. The Delivery Industrial Equipment team will remain with Supply Management. This new team will have end-to-end responsibility for fleet management, starting with the design and development of vehicles through acquisition and deployment. This organization design provides direct control over resources required to modernize the existing fleet while making strategic investment decisions that align with the broader organizational strategies. Ron is a proven global, innovative Supply Chain Management professional with multi-industry experience. He has a track record of accelerating growth, leading transformational projects, and establishing customer and supplier partnerships producing the most effective and efficient supply chains. He is a results-oriented inclusive leader that has built, managed, and led high performance teams to accomplish organizational objectives. Most recently, Ron has served as a strategic advisor to the USPS leadership regarding the fleet management and electric vehicle strategy. Prior to his time with the Postal Service, Ron held senior leadership roles at both XPO Logistics and New Breed Logistics. Ron possesses multiple degrees from Liberty University: Master of Science in Accounting, a Master of Business Administration, and a bachelor's degree in Business Administration. Ron is also a Certified Integrated Resource Management (CIRM) and Certified Production and Inventory Management (CPIM) professional and a veteran of the United States Air Force.

March 29, 2023

**COVID-19 CONTINUITY OF SERVICE – INTERNATIONAL SERVICE RESUMPTION NOTICE – Effective March 31, 2023**

Effective Friday, March 31, 2023, the Postal Service will resume acceptance of mail destined to the following: Chad. This service resumption affects the following mail classes: Priority Mail Express International (PMEI), Priority Mail International (PMI), First-Class Mail International (FCMI), First-Class Package International Service (FCPIS), International Priority Airmail (IPA), and M-Bag items. The Postal Service is closely monitoring service impacts related to the COVID-19 pandemic and will continue to update customers until the situation returns to normal. Please visit our International Service Alerts page for the most up to date information: [https://about.usps.com/newsroom/service-alerts/international/?utm\\_source=residential&utm\\_medium=link&utm\\_campaign=res\\_to\\_intl](https://about.usps.com/newsroom/service-alerts/international/?utm_source=residential&utm_medium=link&utm_campaign=res_to_intl).

March 29, 2023

**Establishment of New Environmental Council**

Postmaster Louis DeJoy has announced the establishment of an Environmental Council that will set the environmental strategy for the Postal Service for the next 10 years and oversee the implementation of environment goals and objectives. The USPS is in the process of rolling out four major infrastructure programs with an investment of over \$16 million dollars. They are as follows: 1. Improvements to our Network of Mail and Package Processing Facilities. 2. Improvements to our Transportation Operations. 3. Improvements to our Delivery Unit Network. 4. Acquisition and roll out of over 100,000 vehicles in the next four years. The Environmental Council will review all initiatives currently in place, champion and prioritize those that we choose to maintain, eliminate those that do not align with the new strategy, and establish new major initiatives that are aligned with the above four major infrastructure initiatives. The Council Members will be as follows with additional members to be added: Kelly R. Abney, Chief Logistics Officer, and Executive Vice President; Peter R. Pastre, Vice President, Government Relations and Public Policy; Judy de Torok, Vice President, Corporate Affairs; Ron J. Jarriel, Vice President, Fleet Management and Electrification Strategy. To support the implementation of our initiatives, the following personnel will also participate in the meetings and support the initiatives of the Council: Jennifer G. Beiro-Reveille, Senior Director, Environmental Affairs & Corporate Sustainability; Gregory T. White, Executive Manager, Strategic Initiatives; Victoria K. Stephens, Director, Next Generation Delivery Vehicles. The current Environmental Affairs & Corporate Sustainability organization will continue to report to Jennifer Beiro-Reveille under the Corporate Affairs organization. However, they will receive new direction from the Council on their strategies and initiatives. Given the importance of our sustainability initiatives, PMG DeJoy will Chair the Council to champion our initiatives, drive the progress necessary for success – all to enhance our environmental ambitions. Once our major strategies are underway, and the PMG gains confidence in their scale and momentum, we will evaluate and assess the ongoing role and direction of the Environmental Council to ensure the long-term future of our environmental strategy.

March 31, 2023

**Mail Spoken Here – March 2023 Edition – IE&O Newsletter**

Please enjoy the latest edition of Mail Spoken Here attached. Our USPS Industry Engagement & Outreach newsletter contains informative and important articles on the following topics: Setting the Record Straight - Time Magazine Covers DeJoy's Turnaround Efforts; 2023 National Postal Forum - DELIVERING FOR AMERICA - Vision. Strategy. Action. Postmaster General Louis DeJoy Keynote Address and Town Hall; Labor Deal - Union Ratifies Contract with USPS; Executive Officer Detail Assignment – Vice President, Chief Data & Analytics Officer; Executive Officer Appointment - Vice President, Plant & Process Modernization; Customs Forms - USPS Offers Tools for Declarations; USPS Informed Delivery Updates - Featuring Bob Dixon; Shedding Light - How to Properly Dispose of Used Bulbs; Cheatin' Hearts - Inspection Service Targets Romance Scams; New Stamps - Release Date, Location Updates (Sidewalk Surfing - New Stamps Feature Skateboard Art; Bennu or Bust - USPS to Release OSIRIS-REX Stamp; Summer Stamps - Release Dates, Locations Announced; Architectural Icons - Railroad Stations Stamps Dedicated; Nobel Author - Toni Morrison Stamp Dedicated); Mailers Technical Advisory Committee (MTAC) Upcoming Events; A Quick Glance Forward; Federal Register Notices; Negotiated Service Agreements; The Latest *Postal Bulletins*. Thank you very much and Happy Spring!

March 31, 2023

**Reminder: CASS Cycle O Implementation Required August 1, 2023**

The Coding Accuracy Support System (CASS) measures the accuracy of address matching software based on rules defined by the Postal Service. Mailers requesting automation discounts are required to process their list through CASS certified software prior to mailing. The Postal Service announced in October 2021 that the CASS Cycle O implementation date was rescheduled to August 1, 2023. The current CASS Cycle N was extended until July 31, 2023. USPS is actively working with the mailing industry to perform CASS Cycle O software certifications. For more information on the benefits of CASS Cycle O please visit [CASS Cycle O - Executive Summary | PostalPro \(usps.com\)](#). The Postal Service encourages all mailers to ensure they are prepared for CASS Cycle O to maintain automation discounts. For mailers using vendor supplied software that have yet to receive CASS Cycle O certified software, it is imperative that you have discussions with your vendor to ensure you receive the certified software in a timely manner.

April 7, 2023

**Acting Vice President, Retail and Delivery Operations, Southern Area**

Postmaster Louis DeJoy announced the appointment of Linda K. Crawford to the position of Acting Vice President, Retail and Delivery Operations, Southern Area, effective immediately. She will report directly to the Chief Retail and Delivery Officer and Executive Vice President. In this role, Linda will be responsible for overseeing retail and delivery operations in 13 Districts comprised of 11 States, as well as Puerto Rico and the US Virgin Islands, and a workforce of over 124,000 employees. The Southern Area services 49.3 million delivery points from more than 7,000 Post Offices, encompasses 750,000 square miles, and produces roughly \$3.2 billion total revenue annually. Linda has over 33 years of service and brings a wealth of experience to this position. Her commitment to employee development includes partnering to create and implement Management Essentials for Field Leadership (MEFL). Linda is a graduate of the University of Phoenix, and has completed the Postal Service's Executive Foundations, Executive Leadership and Processing and Distribution Management programs. She is Lean Six Sigma Green Belt certified and a proud veteran of the United States Army.

April 7, 2023

**Business Customer Gateway eDoc Training Series – Business Customer Gateway (BCG) and Postal Wizard (PW)**

The Postal Service will host bi-weekly webinars on utilizing the Business Customer Gateway (BCG) for electronic documentation (eDoc) and postage statement submission. The topics will alternate between using the Business Customer Gateway (BCG) and Postal Wizard (PW) and Intelligent Mail for Small Business Tool (IMsb Tool) applications. Learn how to eliminate hard copy postage statements and submit Full-Service mail! Upcoming webinars: April 11, Business Customer Gateway (BCG) / Postal Wizard (PW); April 25, Intelligent Mail for Small Business Tool. Join us for the next session – Business Customer Gateway (BCG) and Postal Wizard (PW) on Tuesday, April 11, 2023, at 1:00 PM EST. Meeting URL: <https://usps.zoomgov.com/j/1603767418?pwd=TTfONWNVMXQ2UW1wcUVCCeEt5WFllZz09>; Meeting ID: 160 376 7418; Password: 996767. If requested, enter your name and email address. Enter meeting password: 996767. Join Audio by the options below: Call using Internet Audio; Dial: 1-855-860-4313, 1-678-317-3330 or 1-952-229-5070 & follow prompts. Note: Meeting links and presentations are also posted on PostalPro and can be found at Mailing Services | PostalPro (usps.com).

April 10, 2023

**Service Type ID Table Updated for Full-Service Hardcopy Address Correction Notices**

The Postal Service published the Final *Federal Register* Notice concerning the elimination of hardcopy address correction notice options for Full-Service and Seamless Acceptance mailers on February 7, 2023. Refer to *Federal Register*: Address Correction Notices for additional information. As a result, the Service Type ID Table will be updated to eliminate the Full-Service Manual Address Correction STIDs for First-Class Mail, Periodicals, Bound Printed Matter, Ballot and USPS Marketing Mail. Additionally, Full-Service No Address Correction STIDs will no longer generate a separate PS Form 3547, *Notice to Mailer of Correction in Address* when a printed endorsement is present. For more information regarding the specific STIDs impacted, please visit PostalPro at Elimination of Full-Service Manual Address Correction STIDs Communication | PostalPro (usps.com). The Postal Service has also clarified the definition of Political and Ballot Mail. This updated Service Type ID Table will become effective July 9, 2023. The current Service Type ID Table can be found at: <https://postalpro.usps.com/service-type-identifiers/stidtable>. The updated Service Type ID Table can be found at: Service Type Identifier (STID) Table Effective July 9, 2023 | PostalPro (usps.com).



Be sure to take advantage of the discount available to Mailers Hub subscribers. When registering for the NPF, click on "I have a different discount code" and enter **MH2023**

## Calendar

[To register for any Mailers Hub webinar, go to MailersHubWebinars.com](https://mailershubwebinars.com)

**April 18 – Mailers Hub Webinar:** The April Price Filing

**April 20 – Mailers Hub Webinar:** State & Sales Tax Deep Dive (Part 1)

**April 27 – Mailers Hub Webinar:** State & Sales Tax Deep Dive (Part 2)

**May 11 – Mailers Hub Webinar:** State & Sales Tax Deep Dive (Part 3)

**May 16 – Mailers Hub Webinar:** International Mail Update

**May 21-24 – National Postal Forum, Charlotte (NC)**

**June 4-8 – IPMA Annual Conference, Bonita Springs (FL)**

**June 20 – Mailers Hub Webinar:** Mailpiece Design Refresher II

**July 11 – Mailers Hub Webinar:** Network Redesign

**July 17-19 – thINK Ahead 2023, Boca Raton (FL)**

**July 18-19 – MTAC Meeting, USPS Headquarters**

**July 22-26 – NACUMS Educational Conference, Providence (RI)**

**August 22 – Mailers Hub Webinar:** Protecting Intellectual Property

**September 12 – Mailers Hub Webinar:** Automating Paperwork

**September 18-22 – National PCC Week**

**October 17-18 – MTAC Meeting, USPS Headquarters**

**October 24 – Mailers Hub Webinar:** The October Price Filing

**November 14 – Mailers Hub Webinar:** Economic Outlook for 2024

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## Thanks to Our Partner Associations and APAN Affiliates

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# USPS PROPOSED MARKET DOMINANT PRICES PLANNED TO BE EFFECTIVE JULY 9, 2023

## FIRST-CLASS MAIL

### SINGLE-PIECE (\$)

Weight not over (oz.)	Letters <sup>1, 2</sup>						Flats <sup>2</sup>	Keys & ID Devices
	Machinable Stamped	Machinable Metered	Residual Machinable <sup>3</sup>	Non-mach. Stamped	Non-mach. Metered	QBRM		
1	0.66	0.63	0.66	1.06	1.03	0.639	1.35	4.15
2	0.90	0.87	0.66	1.30	1.27	0.639	1.59	4.39
3	1.14	1.11	0.66	1.54	1.51	0.639	1.83	4.63
3.5	1.38	1.35	0.66	1.78	1.75	0.639	2.07	4.87
4							2.07	4.87
5							2.31	5.11
6							2.55	5.35
7							2.79	5.59
8							3.03	5.83
9							3.27	6.07
10							3.51	6.31
11							3.75	6.55
12							3.99	6.79
13							4.23	7.03
14								<1 lb or <2 lbs. applicable
15								Priority Mail Retail
< 16								Zone 4 rate + \$ 1.05

<sup>1</sup> The price for single-piece, one, two, or three ounce letters also applies to sales of Forever stamps and Forever Print-on-Demand indicia at the time of purchase, as specified by the Postal Service. The price for a Forever additional ounce stamp is the difference between the 2-ounce price and the 1-ounce price.

<sup>2</sup> A handling charge of \$0.01 per piece applies to foreign-origin, inbound direct entry mail tendered by foreign postal operators, subject to the terms of an authorization arrangement.

<sup>3</sup> This price applies only to residual machinable letters derived from a mixed weight presort mailing, and only when the residual mailing reflects the weight levels included in the mixed weight presort mailing. In all other cases, single-piece machinable metered letter rates apply.

#### Postcards <sup>4</sup>

Each	\$ 0.510	QBRM, ea.	\$ 0.489	Double cards, each	\$ 1.020
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<sup>4</sup> The price for single-piece postcards also applies to sales of stamped cards marked with Forever postage, at the time the stamped cards are purchased. The price also applies to Forever postcard stamps. A handling charge of \$0.01 per piece applies to foreign-origin, inbound direct entry mail tendered by foreign postal operators, subject to the terms of an authorization arrangement. Such inbound direct entry mail cannot include single-piece Double Cards.

#### Share Mail Letters and Postcards <sup>5</sup> (maximum weight 1 ounce)

Share Mail letters, each	\$ 0.700	Share Mail postcards, each	\$ 0.550
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<sup>5</sup> To qualify for Share Mail, customers must meet and comply with all eligibility requirements of the program. Share Mail allows a qualifying customer to distribute pre-approved mailpieces that contain an Intelligent Mail barcode (IMb) and that can be mailed without prepayment of postage. Postage is collected when a pre-approved mailpiece is placed in the mailstream and scanned during processing. Customers that are party to a current Alternate Postage Marketing Agreement (Marketing Agreement) as of December 31, 2016, may continue to distribute Alternate Postage mailpieces for the duration of that agreement, per its terms. For all Marketing Agreements, the term "prevailing Alternate Postage rate" shall be synonymous with the prevailing Share Mail rate most recently approved by the Postal Regulatory Commission.

### PRESORTED (\$)

Application for permit imprint fee – \$ 310.00; Annual presort mailing fee – \$ 310.00

Weight not over (oz.)	Letters									Flats				
	Automation *			Presorted Machinable		Nonmachinable			Machinable Residual <sup>6</sup>	Automation *				Non-automation
	5-Digit	AADC	Mixed AADC	AADC	Mixed AADC	5-Digit	3-Digit	Mixed ADC		5-Digit	3-Digit	ADC	Mixed ADC	
1	0.498	0.537	0.561	0.543	0.576	0.666	0.773	0.893	0.660	0.831	1.037	1.098	1.234	1.27
2	0.498	0.537	0.561	0.543	0.576	0.666	0.773	0.893	0.660	1.071	1.277	1.338	1.474	1.51
3	0.498	0.537	0.561	0.543	0.576	0.666	0.773	0.893	0.660	1.311	1.517	1.578	1.714	1.75
3.5	0.498	0.537	0.561	0.543	0.576	0.666	0.773	0.893	0.660	1.551	1.757	1.818	1.954	1.99
4										1.551	1.757	1.818	1.954	1.99
5										1.791	1.997	2.058	2.194	2.23
6										2.031	2.237	2.298	2.434	2.47
7										2.271	2.477	2.538	2.674	2.71
8										2.511	2.717	2.778	2.914	2.95
9										2.751	2.957	3.018	3.154	3.19
10										2.991	3.197	3.258	3.394	3.43
11										3.231	3.437	3.498	3.634	3.67
12										3.471	3.677	3.738	3.874	3.91
13										3.711	3.917	3.978	4.114	4.15

<sup>6</sup> This price applies only to residual machinable letters derived from a mixed weight presort mailing, and only when the residual mailing reflects the weight levels included in the mixed weight presort mailing. In all other cases, single-piece machinable metered letter rates apply.

#### Postcards \*

Each	\$ 0.355	\$ 0.376	\$ 0.388	\$ 0.404
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\* Discount, for each automation postcard, letter, or flat that meets the standards for the full-service Intelligent Mail option, per piece, \$0.003. Pieces eligible for Seamless Acceptance and prepared under the Full-Service Intelligent Mail option, discount per piece – \$0.001.

Move update assessment charge, pieces exceeding tolerance, per piece – \$0.08.

Picture Permit Imprint Indicia, per piece – \$0.01.

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# USPS PROPOSED MARKET DOMINANT PRICES PLANNED TO BE EFFECTIVE JULY 9, 2023

## USPS MARKETING MAIL

Application for permit imprint fee – \$310.00; Annual permit mailing fee – \$310.00

Customized MarketMail, per piece – \$0.601 (Commercial), \$0.445 (Nonprofit)

Picture Permit Imprint Indicia, per piece – \$0.021; Plus One card mailed with a Saturation letter marriage mail “host” mailpiece, each – \$0.110

Pieces eligible for Seamless Acceptance and prepared under the Full-Service Intelligent Mail option, discount per piece – \$0.001

Auto letters or auto, HD, or CR flats that meet the standards for the Intelligent Mail Full-Service option, discount per piece – \$0.003

Subtract 10% of the per-piece price (rounded to the 10<sup>th</sup> of a cent) in a mailing that complies with Marriage Mail eligibility requirements.

Move update: Assessment charge, per piece – \$0.08

Commercial Rates		ENTRY				Nonprofit Rates		ENTRY			
		Origin	NDC	SCF	DDU			Origin	NDC	SCF	DDU
LETTERS											
Nonautomation Saturation, High Density Plus, and High Density letters weighing 4.0 ounces or less, and carrier route letters weighing more than 3.5 oz. but not more than 4.0 ounces, must pay the applicable piece prices for Saturation (other prices, not EDDM prices), High Density Plus, High Density, and carrier route flats weighing 4.0 oz. or less. These pieces cannot be entered at a DDU and must be prepared as letters.											
CARRIER ROUTE – Pieces weighing 3.5 oz. (0.21875 lb.) or less – \$ per piece											
Basic	0.505	0.478	0.470		Basic	0.357	0.330	0.322			
High Density	0.317	0.290	0.282		High Density	0.169	0.142	0.134			
High Density (SCF/finer pllt)	0.315	0.288	0.280		High Density (SCF/finer pllt)	0.167	0.140	0.132			
High Density Plus	0.258	0.231	0.223		High Density Plus	0.167	0.140	0.132			
HD Plus (SCF/finer pllt)	0.256	0.229	0.221		HD Plus (SCF/finer pllt)	0.165	0.138	0.130			
Saturation	0.228	0.201	0.193		Saturation	0.143	0.116	0.108			
Saturation (SCF/finer pllt)	0.226	0.199	0.191		Saturation (SCF/finer pllt)	0.141	0.114	0.106			
AUTOMATION – Pieces weighing 3.5 oz. (0.21875 lb.) or less – \$ per piece											
Mixed AADC	0.381	0.354			Mixed AADC	0.226	0.199				
AADC	0.361	0.334	0.326		AADC	0.206	0.179	0.171			
AADC (SCF/finer pallet)	0.358	0.331	0.323		AADC (SCF/finer pallet)	0.203	0.176	0.168			
5-digit	0.326	0.299	0.291		5-digit	0.171	0.144	0.136			
5-Digit (SCF/finer pallet)	0.323	0.296	0.288		5-Digit (SCF/finer pallet)	0.168	0.141	0.136			
NONAUTOMATION MACHINABLE – Pieces weighing 3.5 oz. (0.21875 lb.) or less – \$ per piece											
Nonautomation nonmachinable letters weighing 4.0 oz. or less must pay the prices shown for Nonautomation flats. These pieces cannot be entered at a DDU and must be prepared as letters.											
Mixed AADC	0.387	0.360			Mixed AADC	0.232	0.205				
AADC	0.363	0.336	0.328		AADC	0.208	0.181	0.173			
AADC (SCF/finer pallet)	0.360	0.333	0.325		AADC (SCF/finer pallet)	0.205	0.178	0.170			
FLATS – Pieces weighing 4.0 oz. (0.25 lb.) or less – \$ per piece											
CARRIER ROUTE											
(including nonautomation Saturation, High Density Plus, and High Density letters weighing 4 oz. (0.25 lb) or less; and carrier route letters weighing more than 3.5 oz. (0.21875 lb.) but not more than 4 oz. (0.25 lb); these pieces cannot be entered at a DDU and must be prepared as letters.)											
Basic CR	0.467	0.396	0.376	0.363	Basic CR	0.378	0.307	0.287	0.274		
High Density #	0.389	0.318	0.298	0.285	High Density #	0.300	0.229	0.209	0.196		
High Density Plus#	0.329	0.258	0.238	0.225	High Density Plus#	0.237	0.166	0.146	0.133		
Saturation #	0.300	0.229	0.209	0.196	Saturation #	0.210	0.139	0.119	0.106		
Saturation EDDM#	0.301	0.230	0.210	0.197	Saturation EDDM#	0.211	0.140	0.120	0.107		
Saturation EDDM Retail				0.198	Saturation EDDM Retail						
# -Surcharge – detached address labels, each – \$0.075 (w/o ads); \$0.095 (w/ads)					# -Surcharge – detached address labels, each – \$0.075 (w/o ads); \$0.095 (w/ads)						
AUTOMATION											
Mixed ADC	0.976	0.905			Mixed ADC	0.751	0.680				
ADC	0.893	0.822	0.802		ADC	0.668	0.597	0.577			
3-digit	0.786	0.715	0.695		3-digit	0.561	0.490	0.470			
3-digit (SCF pallet)	0.769	0.698	0.678		3-digit (SCF pallet)	0.544	0.473	0.453			
5-digit	0.609	0.538	0.518		5-digit	0.384	0.313	0.293			
5-digit (SCF pallet)	0.592	0.521	0.501		5-digit (SCF pallet)	0.367	0.296	0.276			
NONAUTOMATION (incl. nonmach. letters weighing 4 oz. (0.25 lb) or less; these pieces cannot be entered at a DDU and must be prepared as letters.)											
Mixed ADC	1.007	0.936			Mixed ADC	0.782	0.711				
ADC	0.916	0.845	0.825		ADC	0.691	0.620	0.600			
3-digit	0.852	0.781	0.761		3-digit	0.627	0.556	0.536			
3-digit (SCF pallet)	0.849	0.778	0.758		3-digit (SCF pallet)	0.624	0.553	0.533			
5-digit	0.705	0.634	0.614		5-digit	0.480	0.409	0.389			
5-digit (SCF/finer pallet)	0.702	0.631	0.611		5-digit (SCF/finer pallet)	0.477	0.406	0.386			
PARCELS – Pieces weighing 3.3 oz. (0.2063 lb.) or less * Surcharge, nonbarcoded pieces, unless sorted to 5-digit ZIPs, each – \$0.040											
MARKETING											
Mixed NDC *	3.292				Mixed NDC *	3.126					
NDC *	2.757	2.693			NDC *	2.591	2.527				
SCF *		2.452	2.435		SCF *		2.286	2.269			
5-digit		1.465	1.448	1.378	5-digit		1.299	1.282	1.212		
IRREGULAR											
Commercial rate Standard Mail regular and irregular parcels are now among the competitive products.					Mixed NDC *	3.387					
					NDC *	3.153	3.086				
					SCF *		2.575	2.543			
					5-digit		1.532	1.500	1.439		
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# USPS PROPOSED MARKET DOMINANT PRICES PLANNED TO BE EFFECTIVE JULY 9, 2023

## USPS MARKETING MAIL

Commercial Rates (\$)	per pc.+	ENTRY				Nonprofit Rates (\$)	per pc.+	ENTRY			
		Origin	DNDC	DSCF	DDU			Origin	DNDC	DSCF	DDU
		per lb.	per lb.	per lb.	per lb.			per lb.	per lb.	per lb.	per lb.

**FLATS** – Pieces weighing more than 4.0 oz. (0.25 lb.) – \$ per pound (per-pound rates apply only to weight over four ounces)

### CARRIER ROUTE

(Including carrier route letters weighing over 4.0 ounces; not eligible for DDU entry; preparation as letters required)

Basic CR flats (other/no pallet)	Pc rates vary by entry; see pc rate chart.	0.756	0.756	0.756	0.756	Basic CR flats (other/no pallet)	Pc rates vary by entry; see pc rate chart.	0.500	0.500	0.500	0.500
Basic CR letters (SCF/finer pallet)		0.754	0.754	0.754	0.754	Basic CR letters (SCF/finer pallet)		0.498	0.498	0.498	0.498
Basic CR flats (SCF pallet)		0.740	0.740	0.740	0.740	Basic CR flats (SCF pallet)		0.484	0.484	0.484	0.484
Basic CR flats (5-digit pallet)		0.730	0.730	0.730	0.730	Basic CR flats (5-digit pallet)		0.474	0.474	0.474	0.474
High Density flats (other/no pallet) #		0.756	0.756	0.756	0.756	High Density flats (other/no pallet) #		0.500	0.500	0.500	0.500
High Density letters (SCF/finer plt)		0.754	0.754	0.754	0.754	High Density letters (SCF/finer plt)		0.498	0.498	0.498	0.498
High Density flats (SCF pallet) #		0.746	0.746	0.746	0.746	High Density flats (SCF pallet) #		0.490	0.490	0.490	0.490
High Density flats (5-d/sch pallet) #		0.738	0.738	0.738	0.738	High Density flats (5-d/sch pallet) #		0.482	0.482	0.482	0.482
HD Plus flats (other/no pallet) #		0.640	0.640	0.640	0.640	HD Plus flats (other/no pallet) #		0.400	0.400	0.400	0.400
HD Plus letters (SCF/finer pallet)		0.638	0.638	0.638	0.638	HD Plus letters (SCF/finer pallet)		0.398	0.398	0.398	0.398
HD Plus flats (SCF pallet) #		0.631	0.631	0.631	0.631	HD Plus flats (SCF pallet) #		0.391	0.391	0.391	0.391
HD Plus flats (5-digit/scheme plt) #		0.625	0.625	0.625	0.625	HD Plus flats (5-digit/scheme plt) #		0.385	0.385	0.385	0.385
Saturation flats (other/no pallet) #		0.640	0.640	0.640	0.640	Saturation flats (other/no pallet) #		0.400	0.400	0.400	0.400
Saturation letters (SCF/finer pallet)		0.638	0.638	0.638	0.638	Saturation letters (SCF/finer pallet)		0.398	0.398	0.398	0.398
Saturation flats (SCF pallet) #		0.637	0.637	0.637	0.637	Saturation flats (SCF pallet) #		0.397	0.397	0.397	0.397
Saturation flats (5-digit/sch plt)#		0.629	0.629	0.629	0.629	Saturation flats (5-digit/sch plt)#		0.389	0.389	0.389	0.389
Saturation EDDM (other/no plt)#		0.640	0.640	0.640	0.640	Saturation EDDM (other/no plt)#		0.400	0.400	0.400	0.400
Saturation EDDM (SCF pallet)#		0.637	0.637	0.637	0.637	Saturation EDDM (SCF pallet)#		0.397	0.397	0.397	0.397
Saturation EDDM (5-digit/sch plt)#		0.629	0.629	0.629	0.629	Saturation EDDM (5-digit/sch plt)#		0.389	0.389	0.389	0.389

# -Surcharge – detached address labels, each – \$0.075 (w/o ads); \$0.095 (w/ads)

# -Surcharge – detached address labels, each – \$0.075 (w/o ads); \$0.095 (w/ads)

### AUTOMATION

Mixed ADC	Pc rates vary by entry; see pc rate chart.	0.896	0.896		Mixed ADC	Pc rates vary by entry; see pc rate chart.	0.706	0.706	
ADC		0.896	0.896	0.896	ADC		0.706	0.706	0.706
3-digit (other/no pallet)		0.896	0.896	0.896	3-digit (other/no pallet)		0.706	0.706	0.706
3-digit (SCF pallet)		0.896	0.896	0.896	3-digit (SCF pallet)		0.706	0.706	0.706
5-digit (other/no pallet)		0.896	0.896	0.896	5-digit (other/no pallet)		0.706	0.706	0.706
5-digit (SCF pallet)		0.896	0.896	0.896	5-digit (SCF pallet)		0.706	0.706	0.706

### NONAUTOMATION

(Including nonmachinable letters weighing over 4.0 ounces; and nonautomation Saturation, High Density Plus, and High Density letters weighing over 4.0 ounces; not eligible for DDU entry; preparation as letters required)

Mixed ADC	Pc rates vary by entry; see pc rate chart.	0.896	0.896		Mixed ADC	Pc rates vary by entry; see pc rate chart.	0.706	0.706	
ADC		0.896	0.896	0.896	ADC		0.706	0.706	0.706
3-digit (other/no pallet)		0.896	0.896	0.896	3-digit (other/no pallet)		0.706	0.706	0.706
3-digit (SCF pallet)		0.896	0.896	0.896	3-digit (SCF pallet)		0.706	0.706	0.706
5-digit (other/no pallet)		0.896	0.896	0.896	5-digit (other/no pallet)		0.706	0.706	0.706
5-digit (SCF pallet)		0.896	0.896	0.896	5-digit (SCF pallet)		0.706	0.706	0.706

**PARCELS** – \* Surcharge, nonbarcoded pieces, unless sorted to 5-digit ZIPs, each – \$0.040

### MACHINABLE – Pieces weighing more than 3.5 oz. (0.21875 lb.)

Commercial rate machinable parcels are now among the competitive products.					Mixed NDC *	2.855	1.900	
					NDC *	2.136	1.900	1.575
					5-digit	1.207		1.575 1.420 1.124

### MARKETING – Pieces weighing more than 3.3 oz. (0.2063 lb.)

Mixed NDC *	2.858	2.105			Mixed NDC *	2.738	1.882	
NDC *	2.323	2.105	1.792		NDC *	2.203	1.882	1.569
SCF *	2.082		1.792	1.710	SCF *	1.962		1.569 1.487
5-digit	1.095		1.792	1.710 1.373	5-digit	0.975		1.569 1.487 1.150

### IRREGULAR – Pieces weighing more than 3.3 oz. (0.2063 lb.)

Commercial rate irregular parcels are now among the competitive products.					Mixed NDC *	2.995	1.900	
					NDC *	2.761	1.900	1.575
					SCF *	2.250		1.575 1.420
					5-digit	1.207		1.575 1.420 1.124

### SATURATION/CARRIER ROUTE (Simple Samples) Surcharge for use of detached address labels, each – \$0.075 (w/o ads); \$0.095 (w/ads)

Mailing Volume Tier	Sat/Every Door		CR/Targeted		Mailing Volume Tier	Sat/Every Door		CR/Targeted	
	Small <sup>1</sup>	Large <sup>2</sup>	Small <sup>1</sup>	Large <sup>2</sup>		Small <sup>1</sup>	Large <sup>2</sup>	Small <sup>1</sup>	Large <sup>2</sup>
0-200,000	0.432	0.498	0.599	0.663	0-200,000	0.324	0.374	0.449	0.498
200,001 and above	0.415	0.482	0.580	0.645	200,001 and above	0.313	0.361	0.437	0.485
Handling fee:					Handling fee:				
DNDC pallet/3-digit presort					DNDC pallet/3-digit presort				
DNDC pallet/5-digit presort					DNDC pallet/5-digit presort				
DSCF pallet/5-digit presort					DSCF pallet/5-digit presort				
3-D plt presort, per carton/sack					3-D plt presort, per carton/sack				

<sup>1</sup> Small: not more than 6 inches long or 4 inches high or 1.5 inches thick.

<sup>2</sup> Large: more than 6 inches long or 4 inches high or 1.5 inches thick, but not more than 12-inches long or 9 inches high or 2 inches thick. © 2023 Mailers Hub LLC

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**USPS PROPOSED MARKET DOMINANT PRICES PLANNED TO BE EFFECTIVE JULY 9, 2023**

PERIODICALS											
Application Fees: Original entry – \$930.00; Reentry – \$120.00; News agents – \$120.00 Ride-Along items, each – \$0.191											
		Outside County; Nonprofit; Classroom; Limited Circulation		Science-of-Agriculture		Within County					
Pound rates – Advertising portion (per pound) (\$)						Pound Rates (per pound) (\$)					
DDU entry		0.122		0.092		Delivery Unit (Auto/nonauto)		0.156			
DSCF entry		0.180		0.135		All other zones (Auto/nonauto)		0.204			
DADC entry		0.192		0.144		Piece rates (each) (\$) **					
Zones 1&2		0.300		0.225		Automation letter *					
Zone 3		0.300		0.225		5-digit		0.059			
Zone 4		0.300		0.225		3-digit		0.083			
Zone 5		0.300		0.225		Basic		0.091			
Zone 6		0.300		0.225		Automation flat *					
Zone 7		0.300		0.225		5-digit		0.240			
Zone 8		0.300		0.225		3-digit		0.304			
Zone 9		0.300		0.225		Basic		0.345			
Pound rates – Nonadvertising portion (per pound) (\$)						Nonautomation (all shapes)					
		Outside County; Science-of-Agriculture		Nonprofit; Classroom; Limited Circulation		5-digit		0.292			
						3-digit		0.369			
						Basic		0.422			
DDU entry		0.092		0.087		Carrier route (all shapes) *					
DSCF entry		0.135		0.128		Basic		0.104			
DADC entry		0.144		0.137		High density		0.070			
Other entry (all zones)		0.207		0.197		Saturation		0.041			
						Discount – DDU entry		0.018			
Piece rates (\$) each, sorted in...		Outside Cty, Sci/Agr.	N/P; C'm Ltd. Circ.	Bundle rates (\$) each, sorted to...		Outside Cty Sci/Agr.	N/P; C'm; Ltd. Circ.				
Auto letter * **		5-digit bundle	0.318	0.302	Firm bundle	CR sack/pallet	0.205	0.195			
		SCF/3-digit bundle	0.342	0.325		5-digit sack/pallet	0.205	0.195			
		ADC bundle	0.348	0.331		SCF/3-digit sack/pallet	0.546	0.519			
		Mixed ADC bundle	0.367	0.349		ADC sack/pallet	0.657	0.624			
Auto flat (Mach, b/c) * **		5-digit bundle	0.459	0.436	CR bundle	CR sack/pallet	0.203	0.193			
		SCF/3-digit bundle	0.590	0.561		5-digit sack/pallet	0.203	0.193			
		ADC bundle	0.630	0.599		SCF/3-digit sack/pallet	0.738	0.701			
		Mixed ADC bundle	0.694	0.659		ADC sack/pallet	0.998	0.948			
Mach non-b/c letters or flats		5-digit bundle	0.479	0.455	5-D bundle	Mixed ADC sack/pallet	1.280	1.216			
		SCF/3-digit bundle	0.628	0.597		5-digit/CR sack/pallet	0.427	0.406			
		ADC bundle	0.677	0.643		SCF/3-digit sack/pallet	0.506	0.481			
		Mixed ADC bundle	0.757	0.719		ADC sack/pallet	0.656	0.623			
Nonmach b/c flat * **		5-digit bundle	0.713	0.677		Mixed ADC sack/pallet	0.971	0.922			
		SCF/3-digit bundle	0.814	0.773	SCF/3-D bundle	SCF/3-digit sack/pallet	0.462	0.439			
		ADC bundle	0.862	0.819		ADC sack/pallet	0.622	0.591			
		Mixed ADC bundle	0.987	0.938		Mixed ADC sack/pallet	0.925	0.879			
Nonmach non-b/c flats and parcels		5-digit bundle	0.715	0.679	ADC bundle	ADC sack/pallet	0.501	0.476			
		SCF/3-digit bundle	0.814	0.773		Mixed ADC sack/pallet	0.814	0.773			
		ADC bundle	0.868	0.825	MXD ADC bundle	Mixed ADC sack/pallet	0.264	0.251			
		Mixed ADC bundle	0.987	0.938							
All shapes * **		Basic CR bundle	0.258	0.245							
		HD CR bundle	0.224	0.213							
		Saturation CR bundle	0.191	0.181							
		Firm bundle, each	0.226	0.215							
Adjustment per 1% nonadvertising content		0.00112	0.00106								
Tray rates (\$) each, entered at ...		Out.Cty, Sci/Agr.	N/P; C'm Ltd. Circ.	Sack rates (\$) each, entered at ...		Out. Cty, Sci/Agr.	N/P; C'm Ltd. Circ.	Pallet rates (\$) each, entered at...		Out. Cty, Sci/Agr.	N/P; C'm Ltd. Circ.
5-digit/CR tray		Origin	4.687	4.453	5-digit/CR sack	Origin	5.220	4.959	CR pallet	Origin	85.792
		DNDC	3.673	3.489		DNDC	4.623	4.392		DNDC	61.442
		DADC	3.297	3.132		DADC	4.291	4.076		DADC	60.804
		DSCF	2.313	2.197		DSCF	2.544	2.417		DSCF	33.498
		DDU	1.515	1.439		DDU	1.702	1.617		DDU	3.062
SCF/3-digit tray		Origin	3.906	3.711	SCF/3-digit sack	Origin	4.186	3.977	5-digit pallet	Origin	100.692
		DNDC	2.772	2.633		DNDC	3.806	3.616		DNDC	76.342
		DADC	2.776	2.637		DADC	3.676	3.492		DADC	75.704
		DSCF	1.423	1.352		DSCF	1.599	1.519		DSCF	48.398
ADC tray		Origin	4.037	3.835	ADC sack	Origin	4.214	4.003	SCF/3-digit pallet	Origin	79.417
		DNDC	2.677	2.543		DNDC	3.728	3.542		DNDC	57.086
		DADC	1.489	1.415		DADC	2.121	2.015		DADC	56.763
MXD ADC tray		Origin	1.680	1.596	MXD ADC sack	Origin	2.253	2.140		DSCF	29.718
									ADC pallet	Origin	81.949
										DNDC	57.024
										DADC	31.302
										Origin	32.037
											30.435
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* Discount, for each barcoded or carrier route letter or flat that meets the standards for the Full-Service Intelligent Mail option, per piece, \$0.001.											
** Pieces eligible for Seamless Acceptance and prepared under the Full-Service Intelligent Mail option, discount per piece – \$0.001.											

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# USPS PROPOSED MARKET DOMINANT PRICES PLANNED TO BE EFFECTIVE JULY 9, 2023

## PACKAGE SERVICES

### Bound Printed Matter

Annual destination Entry fee: \$310 (Fee does not apply to Full-Service IMB mailings or to mailers using BPM only for parcels.)

Permit application fee: \$310 (Fee does not apply to mailers using eVS) or using a permit imprint only for BPM parcels.)

Pickup on-demand service: \$26.50 per stop.

### Nonpresorted (Single-Piece)

Parcels <sup>1</sup> and other pieces								Flats <sup>2, 3</sup>	
Weight (lbs.)	Zone							Weight (lbs.)	All Zones
	1 & 2	3	4	5	6	7	8 & 9		
1.0	\$3.75	\$3.75	\$3.75	\$3.75	\$3.75	\$3.75	\$3.75	1.0	\$2.45
1.5	3.84	3.84	3.84	3.84	3.84	3.84	3.84	1.5	2.58
2.0	3.94	3.94	3.94	3.94	3.94	3.94	3.94	2.0	2.73
2.5	4.11	4.11	4.11	4.11	4.11	4.11	4.11	2.5	2.88
3.0	4.28	4.28	4.28	4.28	4.28	4.28	4.28	3.0	3.03
3.5	4.48	4.48	4.48	4.48	4.48	4.48	4.48	3.5	3.20
4.0	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.0	3.39
4.5	4.83	4.83	4.83	4.83	4.83	4.83	4.83	4.5	3.56
5.0	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.0	3.76
6.0	5.36	5.36	5.36	5.36	5.36	5.36	5.36	6.0	3.96
7.0	5.73	5.73	5.73	5.73	5.73	5.73	5.73	7.0	4.19
8.0	6.08	6.08	6.08	6.08	6.08	6.08	6.08	8.0	4.42
9.0	6.44	6.44	6.44	6.44	6.44	6.44	6.44	9.0	4.66
10.0	6.78	6.78	6.78	6.78	6.78	6.78	6.78	10.0	4.91
11.0	7.18	7.18	7.18	7.18	7.18	7.18	7.18	11.0	5.19
12.0	7.51	7.51	7.51	7.51	7.51	7.51	7.51	12.0	5.47
13.0	7.87	7.87	7.87	7.87	7.87	7.87	7.87	13.0	5.78
14.0	8.24	8.24	8.24	8.24	8.24	8.24	8.24	14.0	6.08
15.0	8.60	8.60	8.60	8.60	8.60	8.60	8.60	15.0	6.42

### Presorted

Parcels and Irregular Parcels				
Rate	DDU	DSCF	DNDC	Origin
Per Pc.	\$1.010	\$1.251	\$1.875	\$2.001
+Per lb.	0.070	0.080	0.148	0.306

Flats <sup>2, 3</sup>				
Rate	DDU *	DSCF	DNDC	Origin
Per Pc.	\$0.595	\$0.816	\$1.455	\$1.581
+Per lb.	0.066	0.066	0.066	0.066

### Carrier Route

Parcels and Irregular Parcels				
Rate	DDU	DSCF	DNDC	Origin
Per Pc.	\$0.855	\$1.096	\$1.720	\$1.846
+Per lb.	0.070	0.080	0.148	0.306

Flats <sup>2, 3</sup>				
Rate	DDU *	DSCF	DNDC	Origin
Per Pc.	\$0.440	\$0.661	\$1.300	\$1.426
+Per lb.	0.066	0.066	0.066	0.066

<sup>1</sup> Pickup on Demand Service, per stop: \$26.00.

<sup>2</sup> Discount, for each presorted or carrier route barcoded flat that meets the standards for the full-service Intelligent Mail option, per piece, \$0.001.

<sup>3</sup> Pieces eligible for Seamless Acceptance and prepared under the Full-Service Intelligent Mail option, discount per piece – \$0.001.

### Media Mail<sup>1</sup>

First pound or fraction	
Single-piece rate	\$ 3.92
5-digit presort rate	2.59
Basic presort rate	3.73
Each additional pound or fraction, up to 7 lbs.	0.75
Over 7, up to 70 lbs.	0.75

### Library Mail<sup>1</sup>

First pound or fraction	
Single-piece rate	\$ 3.54
5-digit presort rate	2.46
Basic presort rate	3.72
Each additional pound or fraction, up to 7 lbs.	0.71
Over 7, up to 70 lbs.	0.71

### Alaska Bypass Service

(per 70 pounds or fraction)

Zones 1&2 **\$ 33.95**

### Overweight Item Charge

(Items exceeding 70 pounds)

Each ©2023 Mailers Hub LLC **\$ 100.00**

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# USPS PROPOSED MARKET DOMINANT PRICES PLANNED TO BE EFFECTIVE JULY 9, 2023

## SELECTED FEES, SPECIAL SERVICES, and ANCILLARY SERVICES

COD		Address Correction		Business Reply Mail	
To be collected		<b>Manual correction, each</b>		<b>Permit, per year (all categories) *</b>	
\$0.01-50.00	\$ 10.60	First-Class Mail, on-piece		\$ 310.00	
\$50.01-100.00	13.15	Other		<b>Regular, no maintenance fee</b>	
\$100.01-200.00	16.05	<b>Electronic correction, each</b>		Per-piece charge	
\$200.01-300.00	18.95	First-Class Mail		<b>Regular, with maintenance fee</b>	
\$300.01-400.00	21.85	Other		Account maintenance fee, per year	
\$400.01-500.00	24.75	<b>Automated correction, each (letters only)</b>		Per-piece charge	
\$500.01-600.00	27.65	Intelligent Mail, full-service		<b>Qualified BRM, low-volume</b>	
\$600.01-700.00	30.55	First two notices for an address		Account maintenance fee, per year	
\$700.01-800.00	33.45	First-Class Mail		Per-piece charge	
\$800.01-900.00	36.35	USPS Marketing Mail		<b>Qualified BRM, high-volume</b>	
\$900.01-1,000.00	39.25	Additional notices for an address		Account maintenance fee, per year	
COD Restricted Delivery	6.90	First-Class Mail		Fee, per quarter	
<b>Certified Mail</b>		USPS Marketing Mail		Per-piece charge	
Fee, per piece, in addition to postage		<b>Address List Services</b>		<b>Bulk Weight-Averaged (Nonletters only)</b>	
w/ Restricted Delivery and/or Adult Sig.		<b>AEC II Service</b>		Account maintenance fee, per year	
		1-100 records resolved, minimum		Per-piece charge, bulk weight avg.	
		Add'l records resolved, per record		Maintenance fee, per month	
<b>Insurance</b>		<b>Extended Mail Forwarding</b>		<b>USPS Tracking</b>	
<b>Regular *</b>		6-month extension		<b>USPS Marketing Mail (parcels only)</b>	
\$0.01-50.00		12-month extension		Electronic	
\$50.01-100.00		18-month extension			
<b>Bulk *</b>		<b>Sequencing of Address Cards</b>		<b>Stamped Stationery *</b>	
Subtract \$0.80 per piece from the applicable		Each correction		<b>Plain stamped envelopes</b>	
price for Merchandise Coverage.		Insertion of blanks		Basic, size 6%, each	
Insurance Restricted Delivery		<b>COA Information for election boards</b>		Basic, size 6%, 500	
* Insurance up to \$5,000 available at fees based		Per change of address		Basic, size 10, each	
on value		COA Cust. Notification Letter Reprint		Basic, size 10, 500	
<b>Caller Service</b>		City/State file (per year)		<b>Personalized stamped envelopes</b>	
Semi-annual fee		Delivery Statistics file (per year)		Basic, size 6%, 50	
Group 1		DMM Labeling Lists		Basic, size 6%, 500	
Group 2		DPV System (per year)		Basic, size 10, 50	
Group 3		Five-Digit ZIP file (per year)		Basic, size 10, 500	
Group 4		Official National Zone Charts (per yr.)		<b>Stamped cards</b>	
Group 5		Z4 Change (per year)		Single card	
Group 6		99 Percent Accurate Method		Double reply-paid card	
Group 7		Per 1,000 address per year		Sheet of 40 cards (uncut)	
Annual call number reservation fee		Minimum per year		* Plus shipping; premium options avail. at add'l. cost.	
<b>Parcel Airlift (PAL)</b>		<b>Registered Mail</b>		<b>Signature Confirmation</b>	
Pieces weighing: up to 2 lbs.		Declared Value *		FCM/FCM Package Service; Package Services; USPS	
over 2, up to 3 lbs.		\$ 0.00		Retail Ground; Parcel Select (ex. LtWt.); & Priority Mail	
over 3, up to 4 lbs.		\$ 16.80		Electronic	
over 4, up to 30 lbs.		0.01-100.00		Retail	
<b>Return Receipts</b>		100.00-500.00		Restricted Delivery	
<b>Requested at time of mailing</b>		500.01-1,000.00		<b>Money Orders</b>	
Original signature (hard copy)		1,000.01-2,000.00		Domestic (\$0.01-500.00)	
Copy of signature (electronic)		2,000.01-3,000.00		Domestic (\$500.01-1,000.00)	
<b>Bulk Parcel Return Service</b>		3,000.01-4,000.00		APO/FPO/DPO (\$0.01-1,000.00)	
Per-piece charge		4,000.01-5,000.00		<b>Shipper-Paid Forwarding</b>	
<b>Certificate of Mailing</b>		Registered Mail Restricted Delivery		Account maintenance fee, per year	
Individual pieces		Registered COD			
Original Certificate of Mailing, Form 3817,		<b>Permit Fee</b>			
individual article presented at retail		Authorization to use permit imprint			
Three or more pcs individually listed on		(one-time fee)			
Form 3665-Firm or USPS-approved cus-					
tomer provided manifest (per piece listed)					
Each add'l copy of original Cert. of Mail-					
ing, or original mailing receipt (Form					
3877) for Registered Mail, insured mail,					
Certified Mail, and COD mail (each copy)					
Quantity of pieces					
Up to 1,000 identical-weight pieces (one					
Form 3606 for total number)					
Each add'l 1,000 identical-wt pcs/fraction					
Each add'l copy of the original Form 3606					

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