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PRC Seeks Public Comment on Price Increase Proposed by the Postal Service

Washington, DC – The Postal Regulatory Commission has established <u>Docket R2011-2</u>, to receive comments on postal rate changes for market dominant products filed January 13 by the U.S. Postal Service. The rate changes, which include maintaining the current First-Class, first ounce rate at \$.44, are scheduled to take effect on April 17, 2011.

"The Commission will carefully review the Postal Service's pricing proposals to ensure that the increases comply with the price cap and are consistent with statutory pricing policies," said Commission Chairman Ruth Y. Goldway. "We encourage the public to participate in the process by sharing with the Commission their views on the requested postage increases."

Commission rules require that action be taken within 45 days of receipt of the Postal Service's filing and permit a 20-day public comment period. The comment period allows the public to address the consistency of the new rates with statutory requirements, including a CPI-based price cap.

Comments from interested parties are due by February 2, 2011. Information on the filing of comments and the calculation of the annual CPI price cap – which is 1.741% in this Docket – is available on the Commission's website, www.prc.gov. Market dominant products include First-Class letters and cards, advertising mail, Periodicals, and single piece parcels.

Within 14 days of the conclusion of the public comment period, the Commission will determine whether the planned rate adjustments are lawful and issue an order announcing its findings. Kenneth E. Richardson, an attorney in the Commission's Office of General Counsel, will represent the interests of the public in this proceeding.

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The Postal Regulatory Commission is an independent federal agency that provides regulatory oversight over the U.S. Postal Service to ensure the transparency and accountability of the Postal Service and foster a vital and efficient universal mail system. The Commission is comprised of five Presidentially-appointed and Senate-confirmed Commissioners, each serving terms of six years. The Chairman is designated by the President. In addition to Chairman Goldway, the other Commissioners are Vice Chairman Mark Acton, Dan Blair, Nanci Langley, and Tony Hammond.