

AVAILABLE MARKET DOMINANT RATE AUTHORITY

Last Update: 1/13/2025

On November 30, 2020, the Commission issued Order No. 5763, which revised the ratemaking system for Market Dominant products pursuant to 39 U.S.C. § 3622(d)(3).¹

Density-Based Rate Authority: As specified by 39 C.F.R. § 3030.162(a)(1), the density-based rate authority available to the Postal Service is calculated as **2.165 percent**. (Exhausted in Docket No. R2025-1)

Retirement-Based Rate Authority: As specified by 39 C.F.R. § 3030.183(a)(1), the retirement-based rate authority available to the Postal Service is calculated as **2.305 percent**. (Exhausted in Docket No. R2025-1)

Additional Rate Authority for Non-Compensatory Classes: 39 C.F.R. § 3030.222(a) provides for an additional **2 percentage** points of additional rate authority for any class of mail where the attributable cost for that class exceeded the revenue from that class. In FY 2024, the only class for which attributable cost exceeded revenue was **Periodicals**. (Exhausted in Docket No. R2025-1)

Maximum Available Rate Authority by Class²

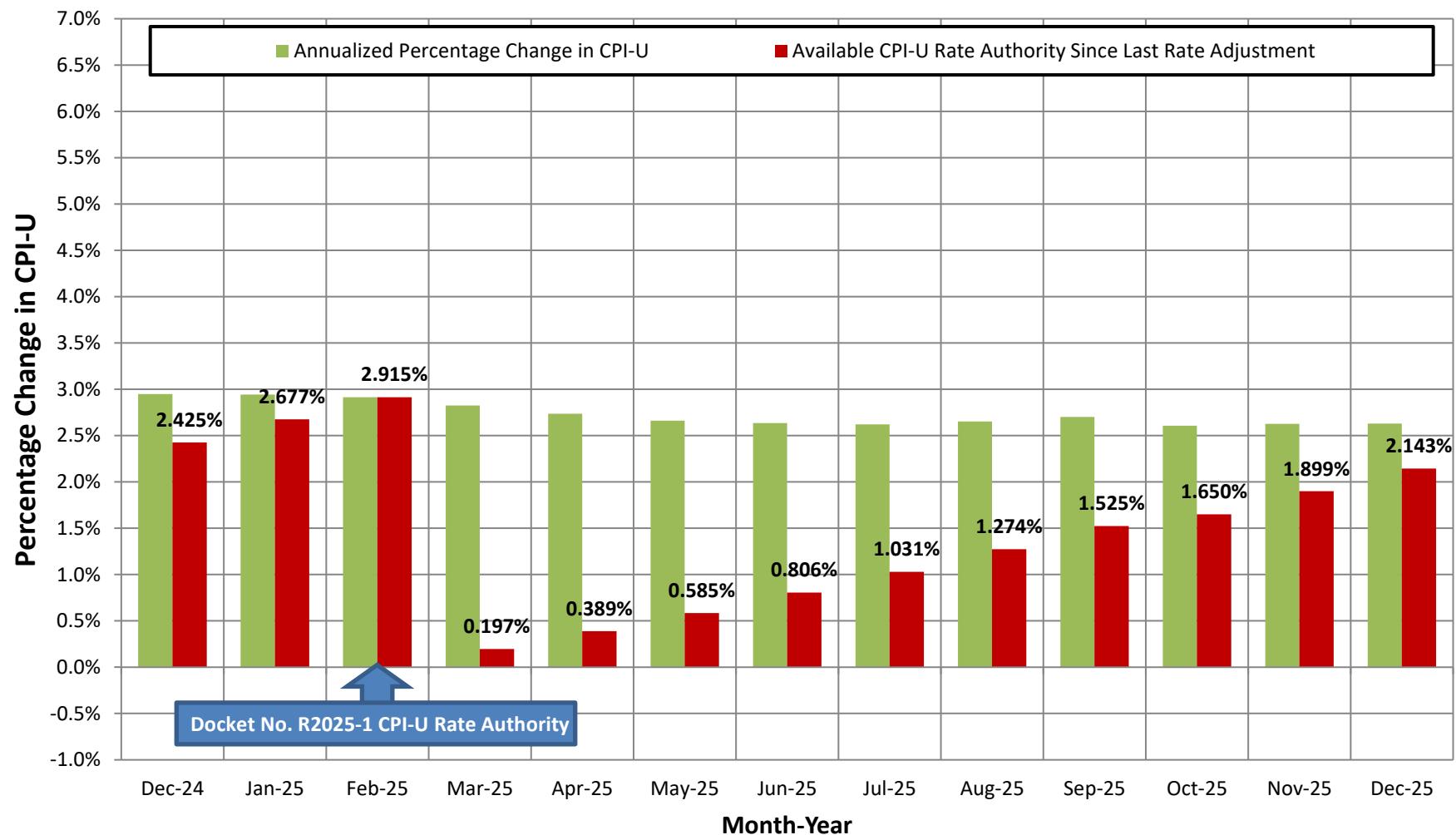
Class	CPI-U	Density	Retirement	Non-Compensatory	Bank	Total
First-Class Mail	2.143%	0.000%	0.000%	N/A	0.000%	2.143%
Periodicals	2.143%	0.000%	0.000%	0.000%	0.000%	2.143%
USPS Marketing Mail	2.143%	0.000%	0.000%	N/A	0.000%	2.143%
Package Services	2.143%	0.000%	0.000%	N/A	0.000%	2.143%
Special Services	2.143%	0.000%	0.000%	N/A	0.000%	2.143%

¹ Docket No. RM2017-3, Order Adopting Final Rules for the System of Regulating Rates and Classes for Market Dominant Products, November 30, 2020 (Order No. 5763). Pursuant to 39 C.F.R. §§ 3030.160(c), 3030.181(c), and 3030.222(b), the Commission determines the amount of Market Dominant rate authority available to the Postal Service for the density-based rate authority, the retirement-based rate authority, and rate authority for non-compensatory classes of mail. For a more detailed explanation of the rate authority calculations, see Docket No. ACR2024, Determination of Available Market Dominant Rate Authority, March 28, 2025 (Order No. 8760).

² Density, Retirement, and Non-Compensatory authority exhausted. See Docket No. R2025-1, Order on Price Adjustments for First-Class Mail, USPS Marketing Mail, Periodicals, Package Services, and Special Services Products and Related Mail Classification Changes, May 30, 2025 (Order No. 8867).

Annualized Percentage Change in CPI-U and Available CPI-U Rate Authority

December 2024 - December 2025



CPI-U annualized using a 12-month moving average. For a more detailed explanation of the calculation of the CPI-U rate authority, including partial year calculations, please see 39 CFR §3030.140-143.

Unused Rate Adjustment Authority By Class (The Bank)

Docket No. (1)	New Unused Rate Adjustment Authority (2)	Price Adjustment in Excess of Annual Limitation (3)	Amount of Unused Rate Adjustment Authority Used in Subsequent Rate Adjustments (4)	Remaining Unused Rate Adjustment Authority (5)=(2)-(4)	Date Generated (6)	Expiration Date (7)	Docket(s) Used/Remaining Unused Rate Authority (8)	Final Order No. (9)
FIRST-CLASS MAIL								
R2021-1	0.000%	0.373%	N/A	N/A	N/A	N/A	N/A	5757 1/
R2021-2	0.000%	0.008%	N/A	N/A	N/A	N/A	N/A	5937 2/
R2022-1	0.000%	0.003%	N/A	N/A	N/A	N/A	N/A	6188 3/
R2023-1	0.000%	0.000%	N/A	N/A	N/A	N/A	N/A	6341
R2023-2	0.010%	0.000%	0.010%	0.000%	4/10/2023	4/10/2028	R2024-1/R2024-2/ Depleted	6526 6/ 7/
R2024-1	0.000%	0.010%	N/A	N/A	N/A	N/A	N/A	6814 6/
R2024-2	0.000%	0.001%	N/A	N/A	N/A	N/A	N/A	7155 7/
R2025-1	0.000%	0.000%	N/A	N/A	N/A	N/A	N/A	8867
PERIODICALS								
R2021-1	0.002%	0.000%	0.002%	0.000%	10/9/2020	10/9/2025	R2022-1/Depleted	5757 3/
R2021-2	0.035%	0.000%	0.035%	0.000%	5/28/2021	5/28/2026	R2022-1/Depleted	5937 3/
R2022-1	0.000%	0.037%	N/A	N/A	N/A	N/A	N/A	6188 3/
R2023-1	0.744%	0.000%	0.744%	0.000%	10/7/2022	10/7/2027	R2023-2/Depleted	6341 5/
R2023-2	0.000%	0.744%	N/A	N/A	N/A	N/A	N/A	6526 5/
R2024-1	0.000%	0.000%	N/A	N/A	N/A	N/A	N/A	6814
R2024-2	0.000%	0.000%	N/A	N/A	N/A	N/A	N/A	7155
R2025-1	0.000%	0.000%	N/A	N/A	N/A	N/A	N/A	8867
USPS MARKETING MAIL								
R2021-1	0.000%	0.051%	N/A	N/A	N/A	N/A	N/A	5757 1/
R2021-2	0.000%	0.008%	N/A	N/A	N/A	N/A	N/A	5937 2/
R2022-1	0.003%	0.000%	0.003%	0.000%	4/6/2022	4/6/2027	R2024-1/R2024-2/ Depleted	6188 6/ 7/
R2023-1	0.000%	0.002%	N/A	N/A	N/A	N/A	N/A	6341 4/
R2023-2	0.000%	0.000%	N/A	N/A	N/A	N/A	N/A	6526
R2024-1	0.000%	0.002%	N/A	N/A	N/A	N/A	N/A	6814 6/
R2024-2	0.000%	0.001%	N/A	N/A	N/A	N/A	N/A	7155 7/
R2025-1	0.000%	0.000%	N/A	N/A	N/A	N/A	N/A	8867
PACKAGE SERVICES								
R2021-1	0.000%	0.002%	N/A	N/A	N/A	N/A	N/A	5757 1/
R2021-2	0.002%	0.000%	0.002%	0.000%	5/28/2021	5/28/2026	R2022-1/Depleted	5937 3/
R2022-1	0.000%	0.008%	N/A	N/A	N/A	N/A	N/A	6188 3/
R2023-1	0.003%	0.000%	0.003%	0.000%	10/7/2022	10/7/2027	R2023-2/R2024-1/ R2024-2/Depleted	6341 5/ 6/ 7/
R2023-2	0.000%	0.001%	N/A	N/A	N/A	N/A	N/A	6526 5/
R2024-1	0.000%	0.001%	N/A	N/A	N/A	N/A	N/A	6814 6/
R2024-2	0.000%	0.001%	N/A	N/A	N/A	N/A	N/A	7155 7/
R2025-1	0.000%	0.000%	N/A	N/A	N/A	N/A	N/A	8867
SPECIAL SERVICES								
R2021-1	0.000%	0.000%	N/A	N/A	N/A	N/A	N/A	5757
R2021-2	0.000%	0.002%	N/A	N/A	N/A	N/A	N/A	5937 2/
R2022-1	0.062%	0.000%	0.062%	0.000%	4/6/2022	4/6/2027	R2024-1/Depleted	6188 6/
R2023-1	0.002%	0.000%	0.002%	0.000%	10/7/2022	10/7/2027	R2024-1/Depleted	6341 6/
R2023-2	0.146%	0.000%	0.146%	0.000%	4/10/2023	4/10/2028	R2024-1/R2024-2/ Depleted	6526 6/ 7/
R2024-1	0.000%	0.209%	N/A	N/A	N/A	N/A	N/A	6814 6/
R2024-2	0.000%	0.001%	N/A	N/A	N/A	N/A	N/A	7155 7/
R2025-1	0.000%	0.000%	N/A	N/A	N/A	N/A	N/A	8867

Notes:

N/A means Not Applicable

1/ A portion or all of the unused rate adjustment authority generated in Docket Nos. R2017-7 (as applicable), R2020-1, and R2020-2 (as applicable) was used for the above CPI-U rate adjustment approved in Docket No. R2021-1.

2/ A portion or all of the unused rate adjustment authority generated in Docket Nos. R2017-7 (as applicable), R2020-1, and R2020-2 (as applicable) was used for the above annual limitation rate adjustment approved in Docket No. R2021-2.

3/ A portion or all of the unused rate adjustment authority generated in Docket Nos. R2020-1, R2021-1, and R2021-2 was used for the above annual limitation rate adjustment approved in Docket No. R2022-1.

4/ A portion of the unused rate adjustment authority generated in Docket No. R2020-2 was used for the above annual limitation rate adjustment approved in Docket No. R2023-1.

5/ A portion or all of the unused rate adjustment authority generated in Docket No. R2023-1 was used for the above annual limitation rate adjustment approved in Docket No. R2023-2.

6/ A portion or all of the unused rate adjustment authority generated in Docket Nos. R2020-1, R2022-1, R2023-1, and R2023-2 was used for the above annual limitation rate adjustment approved in Docket No. R2024-1.

7/ A portion of the unused rate adjustment authority generated in Docket Nos. R2022-1, R2023-1, and R2023-2 was used for the above annual limitation rate adjustment approved in Docket No. R2024-2.

FY 2026 Market Test Revenue Limitations

Unless the Commission grants an exemption, total revenues anticipated or in fact received by the Postal Service from a market test must not exceed \$10 million in any fiscal year, as adjusted by the change in the consumer price index for all urban consumers (CPI-U index) (\$10 Million Adjusted Limitation).¹

If the Commission grants an exemption, total revenues anticipated or in fact received by the Postal Service from a market test must not exceed \$50 million in any fiscal year, as adjusted by the change in the CPI-U index (\$50 Million Adjusted Limitation).²

The Commission must publish the \$10 Million Adjusted Limitation and \$50 Million Adjusted Limitation on its web site.³ The revenue limitations for FY 2026 are:

\$10 Million Adjusted Limitation: \$14,920,849

\$50 Million Adjusted Limitation: \$74,604,244

These revenue limitations are calculated consistent with the Commission's regulations in 39 C.F.R. §§ 3045.15 and 3045.16.

Explanation of Calculations

Revenue limitations applicable during FY 2026 reflect the average CPI-U change during FY 2025. Calculating the \$10 Million Adjusted Limitation and \$50 Million Adjusted Limitation involves the following steps.

First, a simple average CPI-U index was calculated for FY 2008 by summing the monthly CPI-U values from October 2007 through September 2008 and dividing the sum by 12. The result is 214.463.

Second, another simple average CPI-U index is similarly calculated for FY 2025 by summing the 12 monthly CPI-U values from October 2024 through September 2025 and dividing the sum by 12. The result is 319.997.

The formulas for calculating each revenue limitation are:

$$\text{$10 Million Adjusted Limitation} = \$10,000,000 * (319.997/214.463)$$

$$\text{$50 Million Adjusted Limitation} = \$50,000,000 * (319.997/214.463)$$

Results are rounded to the nearest dollar.

¹ 39 U.S.C. §§ 3641(e)(1) and 3641(g); 39 C.F.R. § 3045.15(b).

² 39 U.S.C. §§ 3641(e)(2) and 3641(g); 39 C.F.R. § 3045.16(a).

³ 39 C.F.R. §§ 3045.15(c) and 3045.16(b).