

USPS

January 2023 Price Change Frequently Asked Questions (FAQ)

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General Questions

1. Q: Will rates *and* structural changes be tied together with the effective date of 1/22/2023?

A: Yes. The January 2023 Price Change will be a typical deployment, with software deploying approximately two weeks prior to the effective date. The structure change is available to use as part of the deployment two weeks ahead (1/8/2023) of the new rate case (effective date 1/22/2023).

2. What portion of the network redesign/nomenclature changes continues to be in the January 2023 Price Change?

A: Eliminating the sacks and the FSS cleanup are moving forward. Otherwise, the remainder of the functionality has been moved to July 2023 at the soonest.

Section 3.0 2023 Mailing Promotions

1. Q: Where can I find rate and other general information regarding USPS promotions for commercial mailers?

A: Rate and general promotion information for USPS commercial mailers is located in the PRC Ruling and the promotions website at <https://postalpro.usps.com/promotions>.

2. Q: What is the URL for the WebTools API?

A: The WebTools API is located at www.usps.com/business/web-tools-apis/. The USPS Web Tools® API library gives shipping software access to valuable USPS® data. For example, the integrating application can check shipping rates, track packages, and schedule a package pickup all through USPS Web Tools.

3. Q: What reporting will be available for the ID promo incentive?

A: We plan to leverage the business process/technology of the Seamless Incentive. This includes similar reporting, which includes reporting of the refund transactions in submitters' designated EPA reports.

2023 MAILING PROMOTIONS

The USPS proposes the Informed Delivery Promotion to continue with a 4.0% discount for the Mail Owner and add a proposed 0.5% incentive for the eDoc submitter for postage statements submitted successfully.

The Informed Delivery Promotion will continue to require mail owner (or Permit Holder) registration via the Business Customer Gateway (BCG) for the ID Promotion discount/incentives. Current processes used by MSPs to sign-up for their clients will remain. The new incentive (proposed 0.5%) will require a new enrollment process via BCG (Manage Permit section of BCG), where the edoc submitter will provide its Permit to receive the incentive upon successful processing of the ID promotion on the Postage Statement.

The USPS proposes a new promotion for reply mailpieces processed by the USPS Intelligent Mail Barcode Accounting (IMbA) system that automates the accounting of Business Reply Mail (BRM). As part of the promotion, the USPS proposes a tiered discount for serialized and basic IMBA.

The USPS proposes a new promotion for Retargeted Mail. The current Mobile Shopping promotion will be incorporated into the Emerging Technology promotions.

The USPS proposes a new incentive for Personalized Color Transpromo Promotion.

The USPS will enhance promotion reports to fix problems around display of comingled mailings .

Section 4.0 Marketing Mail Flats on SCF Pallets

1. Q: Is this similar to the discount that was just introduced for the carrier mail flats?

A: Yes it is similar, but it applies to *all* Flats only on Pallets. As of July 2022, the Delivery Sort Container Discount is limited to Carrier Route (CR) – including High Density (HD), High Density Plus (HD+) and Saturation/EDDM Flats.

The new SCF Pallet Discount will be applicable to Automation Flats, Nonautomation Flats, Automation & Nonautomation Carrier Route Flats, HD, HD+ and Saturation/EDDM Flats.

The Delivery Sort Container Discount is eligible for the following container levels:

- CR-Direct
- Mixed CR in 5 Digit
- CR - 5D Scheme
- 5 Digit (Merged)
- 5D Scheme (Merged)

SCF Pallet Discount is eligible for the following container levels:

- 3 Digit (Auto, Presort)
- 3 Digit (CR, Auto, Presort)
- SCF
- Protected SCF

2. Q: Will SCF pallet minimums change?

A: SCF pallet minimums will not change from the current 250 lbs.

3. Q: How will the discount work?

A: There may be further modifications as this discount is finalized. Final rules will be published in the Proposed FRN, and later DMM once filed with the PRC.

USPS MM FLATS SCF PALLET DISCOUNT

The USPS proposes a discount for flat-shaped Marketing Mail prepared on SCF pallets regardless of entry point. This preparation assures that no bundle sorting is required prior to the final processing plant. This proposed discount will be applicable to Automation Flats, Nonautomation Flats, Automation & Nonautomation Carrier Route Flats, High Density, High Density Plus and Saturation/EDDM Flats.

Section 5.0 Connect Local Mail Permanent Product

CONNECT LOCAL MAIL PERMANENT

The USPS proposes to make Connect Local Mail a permanent product as a First-Class Flat. This product was introduced as a market test in January 2022. Transitioning the product to a permanent classification will require PRC approval and changes in pricing structure, classifications, and postage statements. If approved, this mail product will be available as a First-Class Flat with a Destination Entry of DDU weighing less than 13 ounces.

Section 6.0 Remove Manual Services for Mailing Lists (ZIP Coding and Address Corrections) at Retail/DDU Competitive Changes

MANUAL ADDRESS CORRECTIONS AT RETAIL

The USPS proposes to stop support for the manual services for Mailing List, including i) ZIP Coding and ii) Address corrections, currently provided at Retail/DDU. The two services will be removed from Mail Classification Schedule (MSC), the Domestic Mail Manual (DMM) and Price List/Notice 123.

Section 7.0 Separate Nonstandard Fees for Expedited and Ground Products

1. Q: Will the 22-inch, 30-inch restrictions be the same between Market Dominant and Competitive?

A: The Release Overview discusses Nonstandard fees regarding Competitive products only.

2. Q: Nonstandard existing structure will remain, but will nonstandard fees be the same across product lines? Are they tied to the same line?

A: Nonstandard fees may have separate prices based on the product. Separate lines will exist for Ground versus Expedited prices.

NONSTANDARD FEE EXPEDITED VS. GROUND

The USPS proposes to implement two sets of prices for full-network domestic competitive product nonstandard fees: one set for Priority Mail and Priority Mail Express and another set for First-Class Package Service Retail, Retail Ground, Parcel Select Ground, and Parcel Select Lightweight – None/Origin Entry. This will allow for the Ground Nonstandard Fee structure to be independent of the Expedited products Nonstandard fee pricing structure.

Section 8.0 Collapse Commercial Base and Commercial Plus For Priority Mail Express And Priority Mail

COMM PLUS BASE FOR PM & PME

The USPS proposes to collapse the Commercial Base (CBP) and Commercial Plus (CPP) price tables into one Commercial price table for Priority Mail and Priority Mail Express. Mailings claiming either CPP or CBP will map to the same set of prices for a limited period of time.

Section 9.0 Zone Modernization Phase 2

ZONE MODERNIZATION PHASE 2

The USPS proposes to eliminate Local Zone for all products except Connect Local and split Zones 1 & 2 into separate Zones. All competitive zoned parcel products will move to 9 separate price zones to include: zones 1 through 9. This proposal is applicable to First-Class Package Service, Parcel Select Destination Entry, Parcel Select Ground, Retail Ground, Priority Mail, Priority Mail Express, and Ground Return Service.

1. Q: Will the zone changes align to Industry's zone scheme?

A: There has been no decision to change mileage bands, but if they change, the change will not be structural.

2. Q: Will there be additional movement within zones (e.g., will there be more Zone 9)?

A: There has been no decision to change mileage bands, but if they change, the change will not be structural.

3. Q: Will Limited Overland Routes now have 9 zones?

A: LOR will split Zones 1 and 2. There will continue to be no pricing beyond Zone 5.

4. Q: Will USPS eliminate Periodical and BPM zone documentation and separation requirements since they are no longer rated by zone?

A: No, not at this time.

Section 10.0 Deliver Return and Outbound Labels to Residential and Business Addresses for a Fee

RETURN LABEL DELIVERY

The USPS proposes to deliver shipment labels to residential and business addresses for a fee. Merchants would be able to request an Outbound or Return label from USPS for their end customers. USPS would receive this request and create the label. Once the label is printed, the carrier would deliver the label to the customer inside a Flat envelope. The fee for generating/delivering labels and the postage associated with the package labels will be processed after the labels are delivered to the recipient. Labels will be offered for Return or Outbound Products including First-Class Package Service, First-Class Package Returns, Priority Mail, Priority Mail Returns, Parcel Return Service (RDU and RPF), Parcel Select, Parcel Select Lightweight and Priority Mail Express.

Section 11.0 Eliminate Certificate of Mailing and Signature Confirmation Services for Returns

ELIMINATE CERT OF MAILING & SIG CON

The USPS proposes to eliminate Certificate of Mailing and Signature Confirmation services for return products. The following return products will no longer support Certificate of Mailing and Signature Confirmation services:

1. Priority Mail Returns Service
2. First Class Package Returns Service
3. Parcel Return Service

Section 12.0 Eliminate Multiple Canada Rate Zones for PMI in Notice 123

1. Q: Will Canada be Price Group 1?

A: Yes – Price Group 1.

ELIMINATE MULTIPLE CANADA ZONES

The USPS proposes to eliminate eight pricing zones (1.1 to 1.8) for Canada for Priority Mail International (PMI) and collapse them into one zone-based rate structure. Notice 123 currently lists 8 Priority Mail International zones for volume to Canada that reflect mailer proximity to ISCs. This proposal will collapse 8 zones (price groups) into one price group by weight.

Section 13.0 Elimination of Regional Rate Boxes for Priority Mail and Priority Mail International

1. Q: What will replace Regional Rate boxes?

A: Regional Rate boxes will not be replaced; mailers may use other existing box options.

ELIMINATE REGIONAL RATE BOXES FROM PM & PMI

The USPS proposes to eliminate Regional Rate Boxes (A/15 pounds and B/20 pounds) for Priority Mail and Priority Mail International. This proposal will simplify the Priority Mail and Priority Mail International rate structure and eliminate the possibility of receiving pricing for Priority Mail Regional Rate Boxes through an international Negotiated Service Agreement. This proposal will eliminate the Regional Rate Boxes A (max up to 15 lbs.) and B (max up to 20 lbs.)

Section 14.0 Parcel Return Service (PRS) Simplification and Introduce Return Processing Facility (RPF)

PRS SIMPLIFICATION

The USPS proposes to re-designate returns processing facilities from Return Sectional Center Facility (RSCF) and Return Area Distribution Center (RADC) to Returns Processing Facility (RPF). The proposal adds Network Distribution Center (NDC) and Auxiliary Service Facilities (ASF) back into the returns program as potential RPF facilities. The proposal gives PRS partners additional pickup locations.

Pieces flowing through our DDUs to the customer designated RPF would be charged at the appropriate RPF rate.

The proposal enhances the returns program to ensure scan event compliance and customer notification that parcels were available and not picked up:

1. at the RDU within the 48-hour rule and are now available for pickup at the nearest upstream RPF, or
2. at the RPF within the 36-hour rule and are now subject to a "Storage Fee" for volume not picked up by agent within 36 hours.

Section 15.0 Eliminate Balloon Pricing for Parcel Return Service

1. Q: Will any Balloon pricing remain?

A: None of the Balloon pricing will remain. It will also be removed from Limited Overland Routes.

ELIMINATE BALLOON PRICING

The USPS proposes to eliminate Balloon pricing for Parcel Return Service. Balloon prices take effect when an applicable package weighs less than 20 pounds but measures greater than 84 inches and under 108 inches in combined length and girth. Postage Statement and SKU Changes: N/A

Section 16.0 Remove Parcel Return Service (PRS) Rates from Notice 123

REMOVE PRS RATES FROM NOTICE 123

The USPS proposes to remove PRS rates from Notice 123 and published prices. PRS is a dedicated returns service for shippers with a high volume of returns. PRS rates would be available to customers with an approved NSA.

Section 17.0 Eliminating Legacy Service Type Codes

ELIMINATING LEGACY SERVICE TYPE CODES

The USPS proposes to eliminate legacy Service Type Code (STC) and Extra Service Code (ESC) combinations. Eliminating these STCs and ESCs will simplify products and streamline package processing. The current per piece IMPB noncompliance fee (current & subject to change: \$0.25) will be applied to packages /mailers that use eliminated STCs in excess of the (current & subject to change: 2%) barcode threshold.

DATE	SECTION	DESCRIPTION
8/11/2022	8.0	Removed 'Extension of First Class Package Service (FCPS) to 70 lbs'
8/22/2022	9.0	Removed 'Weight Break Updates for Priority Mail, Priority Mail Returns and Priority Mail Express'
8/22/2022	15.0	Removed 'Inclusion of \$100 Insurance for First-Class Package Returns and Parcel Return Service'
8/22/2022	20.0	Removed 'Remove Ground Return Service'
8/22/2022	24.0	Removed 'Eliminating Legacy and Low Usage Service Type Codes'
8/25/2022	3.0	Removed 'Network Redesign and Classification Updates'
8/25/2022	14.0	Removed 'Inclusion of \$100 Insurance for FCPS and extended product attributes'
9/22/2022	19.0	Removed 'Weight Break Updates for PM, PMR and PME'
9/22/2022	11.0	Removed 'Connect Local Mail Payment Options'
9/23/2022	3.0	Removed 'Network Redesign'
10/24/2022	4.0	Changed 'Direct Sort Container Discount' to 'Delivery Sort Container Discount'