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POSTAL REGULATORY COMMISSION OFFICE OF THE SECRETARY

December 12, 2008

Hon. Steven W. Williams, Secretary Postal Regulatory Commission 901 New York Avenue NW, Suite 200 Washington, D.C. 20268-0001

Dear Mr. Williams:

In connection with the Commission's rules pertaining to periodic reports, I have enclosed copies of the Revenue, Pieces and Weight (RPW) report by rate category and special service for Quarter 4 of FY 2008 (39 C.F.R. § 3001.102(b)(1)(2008)). The format for this quarterly report has changed since the RPW report for Quarter 3 of FY 2008 was submitted.¹ The revised version of this report (RPW Public Report) consists of two parts:

- Mailing Services (Market Dominant Products), Revenue, Pieces and Weight by Classes of Mail and Special Services for Quarter 4, Fiscal Year 2008 (Jul. 1, 2008 – Sep. 30, 2008) Compared with the Corresponding Period of Fiscal Year 2007, Public Report; and
- Shipping Services (Competitive Products), Revenue, Pieces and Weight by Classes of Mail and Special Services for Quarter 4, Fiscal Year 2008 (Jul. 1, 2008 – Sep. 30, 2008) Compared with the Corresponding Period of Fiscal Year 2007, Public Report.

¹ Compare Preliminary Revenue, Pieces and Weight by Classes of Mail and Special Services for Quarter 3, Fiscal Year 2008 (April 1, 2008 – June 30, 2008) Compared with the Corresponding Period of Fiscal Year 2007. This report was transmitted to the Commission by letter dated July 31, 2008, and appears at the Commission's internet web site.

I have enclosed a disk with machine-readable version of the Quarter 4 RPW Public Report.

Please note, that the Quarter 4 RPW Public Report contains less information than the report for Quarter 3 and previous reports. Specifically, previous RPW quarterly reports contained more detailed information pertaining to International Mail and domestic competitive products. The previously-reported international categories corresponded to those international mail services that are considered to be competitive products under the Postal Accountability and Enhancement Act (PAEA) and recent Commission practice. In addition, previous reports contained more detailed RPW information pertaining to Priority Mail and Express Mail and combined single-piece and bulk Parcel Post in a single category. Under the PAEA, the expedited services are considered competitive products, together with bulk Parcel Post, related mail services, and associated special services. In the Quarter 4 Public Report, the data pertaining to these competitive services have been aggregated and reported as Shipping Services Mail and Services RPW.

Aggregation of the data for competitive services in the Quarter 4 RPW Public Report is consistent with the structure and provisions of the PAEA and Commission rules, under which the Postal Service is afforded more flexibility with competitive services than under the Postal Reorganization Act. In this regard, the Postal Service believes that disclosure of detailed RPW information pertaining to competitive products would place the Postal Service at a competitive disadvantage in relation to firms in the private sector. Accordingly, the Postal Service has elected to report such information publicly only in aggregated form.

While the Postal Service has concluded that it has a strong interest in limiting public reporting of information pertaining to competitive products, it acknowledges the Commission's interest in continuing to be apprised of such information. In light of that understanding, I have included with the Quarter 4 RPW Public Report a restricted version that disaggregates the international and domestic data pertaining to competitive products (RPW Restricted Report).² This alternative version should not be made public, and it has been marked as confidential. The Postal Service believes that it contains information that would not be subject to mandatory disclosure pursuant to the Freedom of Information Act. In particular, the competitive product information would be exempt from disclosure under 5 U.S.C. § 552(b)(3) and 39 U.S.C. § 410(c)(2), as

² Mailing Services (Market Dominant Products), Revenue, Pieces and Weight by Classes of Mail and Special Services for Quarter 4, Fiscal Year 2008 (Jul. 1, 2008 – Sep. 30, 2008) Compared with the Corresponding Period of Fiscal Year 2007, **Restricted Report**; and Shipping Services (Competitive Products), Revenue, Pieces and Weight by Classes of Mail and Special Services for Quarter 4, Fiscal Year 2008 (Jul. 1, 2008 – Sep. 30, 2008) Compared with the Corresponding Period of Fiscal Year 2007, **Restricted Report**. This report is being provided only in hard copy.

information of a commercial nature that would not be disclosed under good business practice. The Postal Service believes that, pursuant to 39 U.S.C. § 504(g), the Commission should not disclose the disaggregated information contained in the Quarter 4 RPW Restricted Report.

The Postal Service is aware that the Commission is currently considering proposed rules governing confidentiality of information and periodic reports in two pending rulemaking dockets (Docket Nos. RM2008-1, RM2008-4). When issued, the final rules emerging from these dockets may have a bearing on the status of the information contained in the Quarter 4 RPW Restricted Report that is being provided today.

If you have any questions regarding the Quarter 4 report or the discussion above, please feel free to call me.

Sincerely,

Daniel J. Foucheaux, Jr.

Chief Counsel, Pricing and Product Support

Daniel J. Foucheaux J.

Enclosures

cc: Ms. Taylor