

FOR IMMEDIATE RELEASE
Nov. 7, 2011

Contact: David Partenheimer
202-268-2599
david.a.partenheimer@usps.gov
usps.com/news

Statement on Proceeding with Exigent Pricing Relief

As a result of the Postal Regulatory Commission's (PRC) Oct. 31 order denying a motion by the Postal Service to "stay" its request for exigent price relief until Dec. 15, 2011, the Postal Service today informed the Commission that it will continue to proceed with the case. If legislation passes that promotes the Postal Service's financial stability, the Postal Service will review its position and may choose to withdraw the case if warranted.

The Postal Act of 2006 capped price increases for Mailing Services products and services at the rate of inflation as measured by the Consumer Price Index (CPI). However, the law does allow for increases beyond the CPI cap due to exceptional or extraordinary circumstances. That was the case in July 2010 when the Postal Service filed for an increase above CPI, citing the exceptional circumstances of significant mail volume losses. The Postal Service financial crisis has worsened since then.

While legislation continues to be introduced to address critical Postal Service issues, the uncertainty over Congressional action leaves the Postal Service little choice but to proceed with the case for now.

The Postal Service announced new Mailing Services prices last month and will announce new Shipping Services prices later this month. The new pricing will be effective Jan. 22, 2012.

The Postal Service receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund its operations.

#

A self-supporting government enterprise, the U.S. Postal Service is the only delivery service that reaches every address in the nation, 150 million residences, businesses and Post Office Boxes. The Postal Service receives no tax dollars for operating expenses, and relies on the sale of postage, products and services to fund its operations. With 32,000 retail locations and the most frequently visited website in the federal government, *usps.com*, the Postal Service has annual revenue of more than \$67 billion and delivers nearly 40 percent of the world's mail. If it were a private sector company, the U.S. Postal Service would rank 29th in the 2010 Fortune 500. *Black Enterprise* and *Hispanic Business* magazines ranked the Postal Service as a leader in workforce diversity. The Postal Service has been named the Most Trusted Government Agency six consecutive years and the sixth Most Trusted Business in the nation by the Ponemon Institute.