



November 15, 2024

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Mr. Ivan Butts
President
National Association of Postal Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Ivan:

As a matter of general interest, today, the Postal Service filed notice with the Postal Regulatory Commission (PRC) regarding price changes to Shipping Services to take effect January 19, 2025.

If favorably reviewed by the PRC, the proposed price changes to Shipping Services are part of a balanced approach under "Delivering for America," the Postal Service's 10-year plan for achieving financial sustainability and service excellence.

The change would raise Shipping Services prices approximately 3.2 percent for Priority Mail service and Priority Mail Express service, 3.9 percent for USPS Ground Advantage and 9.2 percent for Parcel Select.

Notably, the Postal Service will not be raising prices in January for our Mailing Services.

Enclosed is the Press Release and "Talking Points and Frequently Asked Questions" relevant to this filing.

Please contact Lindsey A. Butler at extension 7194 if you have questions concerning this matter.

Sincerely,

A handwritten signature in blue ink that reads "L.A. Butler".

for Bruce A. Nicholson
Director
Labor Relations Policies and Programs

Enclosures



POSTAL NEWS

FOR IMMEDIATE RELEASE
Nov. 15, 2024

Contact: David P. Coleman
david.p.coleman@usps.gov
usps.com/news

U.S. Postal Service Recommends New Competitive Prices for 2025

- *Postal Service continues to offer a great value for shipping with our reliable service to the American people.*
- *Pricing actions part of balanced approach under "Delivering for America," the Postal Service's 10-year plan for achieving financial sustainability and service excellence.*
- *Rate changes will support the \$40 billion of investments in people, technology, and infrastructure and continue the modernization and improvement of the Postal Service's operations and customer experience.*
- *As we previously announced, the Postal Service will not be raising prices in January for our Mailing Services, therefore, the price of a First-Class stamp will remain unchanged.*

WASHINGTON — Today, the Postal Service filed notice with the Postal Regulatory Commission (PRC) for Shipping Services price changes to take effect January 19, 2025. The proposed adjustments were approved by the Governors of the USPS this week.

The change would raise Shipping Services prices approximately 3.2 percent for Priority Mail service and Priority Mail Express service, 3.9 percent for USPS Ground Advantage and 9.2 percent for Parcel Select.

Although Mailing Services price increases are based on the consumer price index, Shipping Services prices are primarily adjusted according to market conditions. The governors believe these new rates will keep the Postal Service competitive while providing the agency with needed revenue. As we previously announced, the Postal Service will not be raising prices in January for our Mailing Services.

As a strategic part of the [Delivering for America](#) 10-year plan, these proposed changes will support the Postal Service in creating a revitalized organization capable of achieving our public service mission — providing a nationwide, integrated network for the delivery of mail and packages at least six days a week — in a cost-effective and financially sustainable manner over the long term, just as the U.S. Congress has intended.

The PRC will review the changes before they are scheduled to take effect. The complete Postal Service price filing, with prices for all products, can be found on the PRC website under the Daily Listings section at prc.gov/dockets/daily. The Mailing Services filing is Docket No. CP2025-1. The price tables are also available on the Postal Service's Postal Explorer website at pe.usps.com/PriceChange/Index.

Postal Products

Customers may purchase stamps and other philatelic products through the [Postal Store](#) at usps.com/shopstamps, by calling 844-737-7826, by mail through [USA Philatelic](#) or at Post Office locations nationwide. For officially licensed stamp products, shop the [USPS Officially Licensed Collection on Amazon](#). Additional information on stamps, First Day of Issue Ceremonies and stamp inspired products can be found at StampsForever.com.

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Please Note: The United States Postal Service is an independent federal establishment, mandated to be self-financing and to serve every American community through the affordable, reliable and secure delivery of mail and packages to 169 million addresses six and often seven days a week. Overseen by a bipartisan Board of Governors, the Postal Service is implementing a 10-year transformation plan, [Delivering for America](#), to modernize the postal network, restore long-term financial sustainability, dramatically improve service across all mail and shipping categories, and maintain the organization as one of America's most valued and trusted brands.

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

For USPS media resources, including broadcast-quality video and audio and photo stills, visit the [USPS Newsroom](#). Follow us on [X](#), formerly known as Twitter; [Instagram](#); [Pinterest](#); [Threads](#); and [LinkedIn](#). Subscribe to the [USPS YouTube Channel](#) and like us on [Facebook](#). For more information about the Postal Service, visit [usps.com](#) and [facts.usps.com](#).

Talking Points and Frequently Asked Questions

Shipping Services Price Change – Nov. 15, 2024

Talking Points

- As part of its 10-year plan to achieve financial sustainability and service excellence, the U.S. Postal Service has filed notice with the Postal Regulatory Commission (PRC) of price changes for shipping products to include Priority Mail and Priority Mail Express, USPS Ground Advantage, and Parcel Select
- Even with proposed shipping rate adjustments, USPS prices will remain among the world's most affordable and offers a great shipping value.
- Pricing-generated revenue to help fund \$40 billion of investments in people, technology, and infrastructure to modernize and improve Postal Service's operations and customer experience.
- Shipping Services prices are primarily adjusted according to market conditions.

These proposed prices were approved by the Postal Service governors and continue to make the Postal Service a great value in shipping. Also, unlike some other shippers, the Postal Service has upfront pricing and does not add surcharges for residential delivery or regular Saturday delivery.

- These near-term pricing actions are needed to address USPS operating losses.

Internal FAQs

1. What is happening to the prices?

The Postal Service is asking the PRC to review prices with some Shipping Services. The rate change request is part of balanced approach under "Delivering for America," the Postal Service's 10-year plan for achieving financial sustainability and service excellence.

Shipping Services prices are primarily adjusted according to market conditions. The Governors believe these new rates will keep the Postal Service competitive while providing the agency with needed revenue.

Even with proposed rate increases, USPS prices will remain among the world's most affordable and a great value in shipping.

2. Why are market dominant prices (stamps) and Shipping Services prices steadily going up?

As part of the [Delivering for America Plan](#) of achieving financial stability and generating revenues to invest in much needed infrastructure, network upgrades, and mail processing equipment, price adjustments for market-dominant products, such as First-Class Stamps are granted under the authority of the Postal Regulatory Commission.

The Postal Service continues to offer some the lowest First-Class postage in the world.

3. When will the change take place?

The change is expected to take effect January 19, 2025, if approved by the PRC.

4. Why are the prices changing?

As part of its 10-year plan to achieve financial sustainability and service excellence, the Postal Service is asking the Postal Regulatory Commission (PRC) to review proposed increases to some of its prices of shipping services.

The new rates – if favorably reviewed by the PRC – for our shipping service products, will keep the Postal Service competitive while providing the agency with needed revenue.

Even with postage rate increases, USPS prices will remain among the world's most affordable and offers a great value in shipping.

EXTERNAL FAQ

1. What is happening to the prices?

The Postal Service is asking the PRC to review prices for Shipping Services. The rate change request is part of a balanced approach under "Delivering for America," the Postal Service's 10-year plan for achieving financial sustainability and service excellence.

Shipping Services prices are primarily adjusted according to market conditions. The Governors believe these new rates will keep the Postal Service competitive while providing the agency with needed revenue.

Even with proposed rate increases, USPS prices will remain among the world's most affordable and a great value in shipping.

2. When will the change take place?

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The new rates – if favorably reviewed by the PRC – for our shipping service products, will keep the Postal Service competitive while providing the agency with needed revenue.

Even with postage rate increases, USPS prices will remain among the world's most affordable and offers a great value in shipping.

4. How will this change help the Postal Service?

The rate change request is part of balanced approach under “Delivering for America,” the Postal Service’s 10-year plan for achieving financial sustainability and service excellence. With full implementation, the 10-year plan reverses a projected \$160 billion in losses over the next 10 years.

5. Has the Postal Service been losing money on package delivery like it has on mail?

According to the Postal Accountability and Enhancement Act (PAEA) of 2006, competitive rates set by the Postal Service are required to cover all of their own costs plus an appropriate share of overhead. These rates are in compliance with that act.

6. How much money does Priority Mail and Priority Mail Express generate for the Postal Service?

Priority Mail and Priority Mail Express, accounted for \$11.5 billion, or 14.5 percent, of the \$79.3 billion in total revenue in FY23.

7. How many packages did the Postal Service deliver in 2023?

The Postal Service delivered 7.2 billion packages and served over 164 million addresses across the country in FY23.

8. Do you expect to raise shipping rates again in 2025?

We’re continually reviewing our pricing approach for all products.

9. As a result of the Plan, will the public have to pay higher rates for slower package service?

The Plan enables reliable and predictable service to our customers and proposes a fair pricing approach that aligns to market realities. We are pursuing a rational pricing approach, adjusted according to market conditions. The Plan will enable us to design a precise and efficient processing and transportation network, positioning us to deliver 95 percent of all mail and packages on-time. Judicious price increases paired with investment in our network will allow us to provide the predictable, reliable service that the American people expect and deserve and ensure the financial sustainability of the Postal Service.

10. Are there other ways the Postal Service can improve its financial standing without raising prices?

Price changes make up one of four main approaches outlined in our Delivering for America Plan, all of which must be executed to reverse \$160B in projected losses over the next 10 years. Price changes, as well as other Plan elements to increase efficiencies and reduce costs are self-help strategies that the Postal Service can initiate right now. The extent to which other parts of the Plan are successful could serve to mitigate the need for price increases as we move forward. See the [Delivering for America Plan](#) here.