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POSTAL NEWS

FOR IMMEDIATE RELEASE
Aug. 10, 2021

Contact: Kim Frum
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U.S. Postal Service Announces Proposed Temporary Rate Adjustments for 2021 Peak Holiday Season

WASHINGTON - The United States Postal Service filed notice today with the Postal Regulatory Commission (PRC) regarding a temporary price adjustment for key package products for the 2021 peak holiday season. This temporary rate adjustment is similar to one in 2020 that anticipated heightened peak-season package and shipping demand, which typically results in extra handling costs.

The planned peak-season pricing, which was approved by the Governors of the Postal Service on Aug. 5, would affect prices on commercial and retail domestic competitive parcels – Priority Mail Express (PME), Priority Mail (PM), First-Class Package Service (FCPS), Parcel Select, USPS Retail Ground, and Parcel Return Service. International products would be unaffected. Pending favorable review by the PRC, the temporary rates would go into effect at 12:00 a.m., Central Time, on Oct. 3, 2021, and remain in place until 12:00 a.m., Central Time, Dec. 26, 2021.

This seasonal adjustment will bring prices for the Postal Service's commercial and retail customers in line with competitive practices. No structural changes are planned as part of this limited pricing initiative.

"*Delivering for America*," the Postal Service's 10-year plan for achieving financial sustainability and service excellence, calls for appropriate pricing initiatives. The Postal Service has some of the lowest mail postage rates in the industrialized world and continues to offer great values in shipping. These temporary rates will keep the Postal Service competitive while providing the agency with the revenue to cover extra costs in anticipation of peak-season volume surges similar to levels experienced in 2020. The forecasted additional revenue from the time-limited increase will depend on the volume of packages shipped between Oct. 3 and Dec. 26, 2021 – the period the Postal Service historically considers its holiday peak season.

The planned price changes include:

Priority Mail, Priority Mail Express, Parcel Select Ground and USPS Retail Ground:

- \$0.75 increase for PM and PME Flat Rate Boxes and Envelopes.
- \$0.25 increase for Zones 1-4, 0-10 lbs.
- \$0.75 increase for Zones 5-9, 0-10 lbs.
- \$1.50 increase for Zones 1-4, 11-20 lbs.
- \$3.00 increase for Zones 5-9, 11-20lbs.
- \$2.50 increase for Zones 1-4, 21-70 lbs.
- \$5.00 increase for Zones 5-9, 21-70 lbs.

LABOR RELATIONS



August 10, 2021

Mr. Brian J. Wagner
President
National Association of Postal
Supervisors
1727 King Street, Suite 400
Alexandria, VA 22314-2753

Dear Mr. Wagner:

As a matter of general interest, the Postal Service filed notice with the Postal Regulatory Commission (PRC) today regarding a temporary price adjustment for key package products for the 2021 peak holiday season. This temporary rate adjustment is similar to one in 2020 that anticipated heightened peak-season package and shipping demand, which typically results in extra handling costs.

The planned peak-season pricing, which is further detailed on the enclosed press release, would affect prices on commercial and retail domestic competitive parcels – Priority Mail Express (PME), Priority Mail (PM), First-Class Package Service (FCPS), Parcel Select, USPS Retail Ground, and Parcel Return Service. International products would be unaffected. Pending favorable review by the PRC, the temporary rates would go into effect at 12:00 a.m., Central Time, on Oct. 3, 2021, and remain in place until 12:00 a.m., Central Time, Dec. 26, 2021.

Please contact Bruce Nicholson at extension 7773 or if you have questions concerning this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "DE Mills".

DE David E. Mills
Manager
Labor Relations Policies and Programs

Enclosure