

To see the changes to the **ADDRESSES** section of the proposed rule, refer to the **ADDRESSES** section of this notice.

Joseph R. Balash,

Assistant Secretary—Land and Minerals Management, U.S. Department of the Interior.

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket Number USCG–2018–0648]

Regulated Navigation Area; Savannah River, Georgia

AGENCY: Coast Guard, DHS.

ACTION: Notice of public meeting; request for comments.

SUMMARY: The Coast Guard announces a public meeting to receive comments on a proposal to revise a rule entitled “Regulated Navigation Area; Savannah River, Georgia”, which was published in the **Federal Register** on September 10, 2007 (72 FR 51555). The purpose of this public meeting is to determine the need to revise the regulated navigation area to address changes at the facility.

DATES: A public meeting will be held on Wednesday, July 25, 2018 from 10 a.m. to 12 p.m. to provide an opportunity for oral comments. Written comments and related material may also be submitted to Coast Guard personnel specified at that meeting. Comments and related material must be received by the Coast Guard on or before August 15, 2018.

ADDRESSES: The public meeting will be held at the Juliette Gordon Low Federal Building, 100 W Oglethorpe Avenue, First Floor, Marine Safety Unit Savannah Training Room, Savannah, GA 31401, telephone 912–652–4353. A valid government-issued photo identification will be required for entrance to the building, and all visitors are subject to security screenings.

This meeting is open to the public. Seating is limited, so please RSVP as soon as possible, but no later than July 15, 2018. Please fill out the RSVP form using the following link <https://einventions.afit.edu/inv/anim.cfm?i=407259&k=0661450B7E5E>.

You may submit written comments online by searching docket number USCG–2018–0648 using the Federal eRulemaking Portal at <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: If you have questions concerning the

meeting or the proposed rule, please call or email LT Joseph Palmquist, Coast Guard; telephone 912–652–4353 ext. 221, email joseph.b.palmquist@uscg.mil.

SUPPLEMENTARY INFORMATION:

I. Background and Purpose

We are announcing a public meeting to receive comments regarding the potential revision of the rule titled “Regulated Navigation Area; Savannah River, Georgia” that was published in the **Federal Register** on September 10, 2007 (72 FR 51555). That rule established a regulated navigation area around the Southern LNG facility on the Savannah River. Since the previous rule has been published, there have been changes both to the facility layout and to the types of vessels that make calls to the facility. The purpose of this public meeting is to determine the need to revise the regulated navigation area to address changes at the facility. We have received multiple requests and have concluded that a public meeting would aid in determining whether to propose a rulemaking. Therefore, we are publishing this notice.

You may view the current rule, 33 CFR 165.756, by going to <http://www.ecfr.gov>. Once there, click on “simple search”, insert “33” in the title number search box and “165.756” in the “search for” search box and click “submit search”. You may view comments submitted thus far by going to <http://www.regulations.gov>. Once there, insert “USCG–2018–0648” in the “Keyword” box and click “Search”.

We encourage you to participate by submitting comments either orally at the meeting or in writing. If you bring written comments to the meeting, you may submit them to Coast Guard personnel specified at the meeting to receive written comments. These comments will be submitted to our online public docket. All comments received will be posted without change to <http://www.regulations.gov> and will include any personal information you have provided.

Comments submitted after the meeting must reach the Coast Guard on or before August 15, 2018. We encourage you to submit comments through the Federal eRulemaking Portal at <http://www.regulations.gov>. If your material cannot be submitted using <http://www.regulations.gov>, contact the person in the **FOR FURTHER INFORMATION CONTACT** section of this document for alternate instructions.

Anyone can search the electronic form of comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on

behalf of an association, business, labor union, etc.). You may review a Privacy Act notice regarding our public dockets in the March 24, 2005, issue of the **Federal Register** (70 FR 15086).

II. Information on Service for Individuals With Disabilities

For information on facilities or services for individuals with disabilities or to request special assistance at the public meeting, contact LT Joseph Palmquist at the telephone number or email address indicated under the **FOR FURTHER INFORMATION CONTACT** section of this notice.

III. Public Meeting

The Coast Guard will hold a public meeting to receive comments to potentially revise the rule titled “Regulated Navigation Area; Savannah River, Georgia” that was published in the **Federal Register** on September 10, 2007 (72 FR 51555). The meeting will take place on July 25, 2018 from 10 a.m. to 12 p.m. at Juliette Gordon Low Federal Building, 100 W Oglethorpe Avenue, First Floor, Marine Safety Unit Savannah Training Room, Savannah, GA 31401, telephone 912–652–4353. Please note that due to building security requirements, a valid government-issued photo identification will be required for entrance into the building. All visitors are subject to security screenings. There is no parking at the building; there are various parking garages that are within walking distance to the building.

Dated: June 28, 2018.

N.C. Witt,

Commander, U.S. Coast Guard Captain of the Port Savannah.

[FR Doc. 2018–14356 Filed 7–3–18; 8:45 am]

BILLING CODE 9110–04–P

POSTAL REGULATORY COMMISSION

39 CFR Part 3050

[Docket No. RM2018–8; Order No. 4689]

Periodic Reporting

AGENCY: Postal Regulatory Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission is acknowledging a recent filing requesting the Commission initiate an informal rulemaking proceeding to consider changes to an analytical method for use in periodic reporting (Proposal Five). This document informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* August 22, 2018.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202-789-6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

On June 26, 2018, the Postal Service filed a petition pursuant to 39 CFR 3050.11, requesting that the Commission initiate a rulemaking proceeding to consider changes to analytical principles relating to periodic reports.¹ The Petition identifies the proposed analytical changes filed in this docket as Proposal Five.

II. Proposal Five

Background. The Postal Service states that it considered three related concerns when drafting Proposal Five. Petition, Proposal Five at 1. First, the Postal Service notes that, beginning January 1, 2018, the Universal Postal Union (UPU)² implemented "format" or shape based terminal dues.³ The UPU separates its letter post mailpieces into three formats: Small letters (format Petit (P)), large letters, also called "flats," (format Grand (G)), and bulky letters and small packets (format Encombrant (E)). *Id.* at 1–2. The recent change to the UPU terminal dues system applies separate terminal dues for the combined letter and flat (formats P and G) dispatches, format E dispatches, and for

dispatches that contain mailpieces from all three formats (Mixed).⁴

Second, the Postal Service states that Proposal Five addresses issues raised in the Postal Service's response to Chairman's Information Request No. 10, question 6 in Docket No. ACR2017.⁵ CHIR No. 10, question 6 requested the Postal Service to "identify and discuss the factors that increased processing, delivery, and other costs for Inbound Letter Post in [Fiscal Year (FY)] 2017."⁶ In its response to CHIR No. 10, question 6, the Postal Service discussed shape-based cost trends for a market dominant negotiated service agreement, Inbound Market Dominant PRIME Tracked Service Agreement, to explain the increased Inbound Letter Post cost. Responses to CHIR No. 10, question 6. CHIR No. 18 asked why the Postal Service did not incorporate the shape-based information into the Domestic Processing Model and the International Cost and Revenue Analysis (ICRA) report.⁷ In its response, the Postal Service explained that it could not apply the shape-based ratios developed for the financial workpapers for inbound international negotiated service agreements to the Domestic Processing Model or the ICRA report without additional data and development.⁸ The Postal Service indicated that it was investigating a shape-based approach to the Domestic Processing Model and planned to complete its investigation and file a proposal to incorporate a shape-based approach into the Domestic

Processing Model and the ICRA report in FY 2018.⁹

Third, the Postal Service contends that Proposal Five responds to a directive in the FY 2017 Annual Compliance Determination report (ACD). Petition, Proposal Five at 3. In the FY 2017 ACD, the Commission directed the Postal Service to file an update on its investigation of using shape-based data to develop Inbound Letter Post costs within 90 days of the FY 2017 ACD, if the Postal Service had not yet filed a "rulemaking proposal to implement shape-based costing for Inbound Letter Post in the Domestic Processing Model and the ICRA."¹⁰

Proposal. The Postal Service states that Proposal Five will replace the current methodology with the development of separate inbound costs for letter and flats (formats P and G) and for bulky letters and small packets (format E). Petition, Proposal Five at 3. The Postal Service states that the ICRA report format will not change, but "the aggregated costs shown on the individual ICRA lines would be the sum of the separately-developed letter/flat-shape and packet-shaped costs." *Id.*

Rationale and impact. The Postal Service states that the current methodology does not align with what is now the UPU terminal dues structure. *Id.* Additionally, the Postal Service explains that the proposed methodology will provide better data from which the Commission may analyze the new UPU terminal dues rate structure and analyze the various components of the Inbound Letter Post product. *Id.* at 4. The Postal Service identifies the likely effects of Proposal Five on the development of the ICRA report in non-public Excel file "Attachment1.xls." The Postal Service provides cell-by-cell differences between the proposed methodology and the data provided in the ICRA as part of the Postal Service's annual compliance report for FY 2017. *Id.*

III. Notice and Comment

The Commission establishes Docket No. RM2018–8 for consideration of matters raised by the Petition. More information on the Petition may be accessed via the Commission's website at <http://www.prc.gov>. Interested persons may submit comments on the Petition and Proposal Five no later than August 22, 2018. Pursuant to 39 U.S.C. 505, Katalin K. Clendenin is designated as an officer of the Commission (Public Representative) to represent the

¹ Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Five), June 26, 2018 (Petition). The Postal Service filed a non-public library reference with Proposal Five. Library Reference USPS–RM2018–8/NP1, Nonpublic Material Relating to Proposal Five, June 26, 2018; Notice of Filing of USPS–RM2018–8/NP1 and Application for Nonpublic Treatment, June 26, 2018.

² The UPU is a United Nations specialized agency comprising 192 member countries, including the United States. Member countries negotiate international agreements governing the exchange of international mail, including applicable rates for the delivery of international mail.

³ Petition, Proposal Five at 1. Terminal dues are also referred to as default UPU rates, because they apply in the absence of an agreement between or among postal operators establishing other rates.

⁴ *Id.* at 2. The UPU separates its member countries into four country groups (Groups I–IV) based on each member country's Gross National Income and the development of its postal system. Decisions of the 26th Congress other than those amending the Acts (resolutions, decisions, recommendations, formal opinions, etc.) (2017), Annex 2, Classification of countries and territories for terminal dues and Quality of Service Fund (QSF) purposes available at http://www.upu.int/uploads/tx_sdownload/actsLastCongressActsEn.pdf. Then the UPU separates these country groups into two systems (Target and Transition). Designated postal operators of Target System member countries that send large volumes of UPU Letter Post mailpieces are required to sort their UPU Letter Post mailpieces by shape (formats P and G dispatches and format E dispatches). Designated postal operators of smaller volume Target System member countries and Transition System member countries may opt to separate their UPU Letter Post mailpieces by shape.

⁵ *Id.* See Docket No. ACR2017, Responses of the United States Postal Service to Questions 1–7 of Chairman's Information Request No. 10, question 6, February 2, 2018 (Responses to CHIR No. 10).

⁶ Docket No. ACR2017, Chairman's Information Request No. 10 and Notice of Filing Under Seal, question 6, January 26, 2018 (CHIR No. 10).

⁷ Chairman's Information Request No. 18, question 1, February 13, 2018.

⁸ Responses of the United States Postal Service to Questions 1–2 of Chairman's Information Request No. 18, question 1, February 20, 2018 (Response to CHIR No. 18).

⁹ Petition, Proposal Five at 2–3; see Response to CHIR No. 18, questions 1.a., 1.c.

¹⁰ *Id.* See Annual Compliance Determination Report, Fiscal Year 2017, March 29, 2018, at 69 (FY 2017 ACD).

interests of the general public in this proceeding.

IV. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket No. RM2018–8 for consideration of the matters raised by the Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Five), filed June 26, 2018.

2. Comments by interested persons in this proceeding are due no later than August 22, 2018.

3. Pursuant to 39 U.S.C. 505, the Commission appoints Katalin K. Clendenin to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this docket.

4. The Secretary shall arrange for publication of this Order in the **Federal Register**.

By the Commission.

Stacy L. Ruble,
Secretary.

[FR Doc. 2018–14367 Filed 7–3–18; 8:45 am]

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POSTAL REGULATORY COMMISSION

39 CFR Part 3050

[Docket No. RM2018–7; Order No. 4685]

Periodic Reporting

AGENCY: Postal Regulatory Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission is noticing a recent filing requesting that the Commission initiate an informal rulemaking proceeding to consider changes to an analytical method for use in periodic reporting (Proposal Four). This document informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* July 23, 2018.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

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I. Introduction

On June 25, 2018, the Postal Service filed a petition pursuant to 39 CFR 3050.11, requesting that the Commission initiate a rulemaking proceeding to consider changes to analytical principles relating to periodic reports.¹ The Petition identifies the proposed analytical principles changes filed in this docket as Proposal Four.

II. Proposal Four

Background. Proposal Four would change the costing methodology for assigning expenses related to debit card transactions in the component named Retail Credit Card Fees (Component No. 126) in Cost Segment 13. Petition, Proposal Four at 1. Debit card transactions, which are purchases made using debit cards, incur fees that merchants pay to the debit card issuer.² For example, when a customer purchases a product or service from the Postal Service using a debit card, the Postal Service pays the debit card issuer a fee for each transaction.

In Docket No. RM2015–4, the Commission approved the current methodology for assigning expenses related to credit and debit card transactions.³ The current methodology treats these expenses as fully volume variable and assigns them to products in the same proportions as the Postal Service revenue realized from aggregate credit and debit card transactions. Petition, Proposal Four at 1. When preparing the FY 2017 Annual Compliance Report (ACR), the Postal Service explains that it recognized two flaws in the current methodology. *Id.* First, the current methodology uses the total of both credit and debit card fees

¹ Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Four), June 25, 2018 (Petition).

² One type of fee that may be incurred when using a debit card is an interchange fee, which is the largest categorical contributor to total debit card processing fees for a transaction. *Id.* at 5. A merchant pays an interchange fee to the debit card issuer whenever a customer makes a purchase using a debit card. See 12 CFR 235.2(j) (defining “interchange transaction fee” as “any fee established, charged, or received by a payment card network and paid by a merchant or an acquirer for the purpose of compensating an issuer for its involvement in an electronic debit transaction.”). The debit card fees referred to in the Petition and this Order are interchange fees.

³ Petition, Proposal Four at 1; see Docket No. RM2015–4, Order Approving Analytical Principle Used in Periodic Reporting (Proposal Eleven), February 9, 2015 (Order No. 2350).

when calculating distribution factors. *Id.* This assumes that transactions made with debit and credit cards are similar, which is not true for every product. *Id.* For example, Priority Mail generates more revenue from credit card purchases than debit cards. *Id.* Conversely, Money Orders cannot be purchased using credit cards. *Id.*

The Postal Service asserts that when calculating a distribution key, the type of card used (debit or credit) becomes more important because total credit card fees are almost four times greater than total debit card fees. *Id.* Because of this incorrect assumption, the current methodology misallocates expenses related to debit and credit card fees, especially for products that are more heavily purchased by one card type. *Id.*

The second flaw in the current methodology identified by the Postal Service is that the distribution factors do not fully align with actual expenses incurred from the usage of debit and credit cards. *Id.* at 2. For example, for Money Order transactions, the Postal Service charges the customer the face value of the Money Order plus a Special Services fee. *Id.* When calculating the Money Order share of total “revenue” for distribution purposes, the current methodology only considers the Special Services fee the Postal Service charges the customer. *Id.* The Postal Service asserts that this methodology is erroneous because the amount the Postal Service pays to the debit card provider is based on the entire transaction amount, including the face value of the money order, rather than just the Special Services fee charged. *Id.*

To address these two flaws in the current methodology, the Postal Service made two corrections to Library Reference USPS–FY17–32, which was filed with the FY 2017 ACR.⁴ First, the Postal Service separated credit and debit card fees to develop different sets of distribution factors for these fees. Petition, Proposal Four at 2. Second, the set of distribution factors for debit cards used the aggregate face value of Money Orders purchased with debit cards in conjunction with the revenue from all other products. *Id.*

In a supplemental Chairman's Information Request (CHIR) response, the Postal Service proposed a model attempting to account for the recognized major components of debit card fees.⁵ In the FY 2017 Annual Compliance

⁴ *Id.*; see Docket No. ACR2017, Library Reference USPS–FY17–32, December 29, 2017.

⁵ *Id.* at 2–3; see Docket No. ACR2017, Supplemental Response of the United States Postal Service to Question 1.b of Chairman's Information Request No. 2, February 23, 2018 (Response to CHIR No. 2, Question 1.b).