

**POSTAL REGULATORY COMMISSION****39 CFR Part 3050**

[Docket No. RM2019–8; Order No. 5145]

**Periodic Reporting****AGENCY:** Postal Regulatory Commission.**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Commission is acknowledging a recent filing requesting the Commission initiate a rulemaking proceeding to consider changes to analytical principles relating to periodic reports (Proposal Three). This document informs the public of the filing, invites public comment, and takes other administrative steps.

**DATES:** *Comments are due:* August 19, 2019.

**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:****Table of Contents**

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**I. Introduction**

On July 9, 2019, 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.<sup>1</sup> The Petition identifies the proposed analytical changes filed in this docket as Proposal Three.

**II. Proposal Three**

*Background.* Proposal Three relates to the methodology used to distribute enhanced payments made under the PRIME agreement. Petition, Proposal Three at 1. PRIME is an international agreement among approximately 141 designated postal operators working together in the tracked packet area. *Id.* n.1. Under PRIME, designated postal operators provide each other with enhanced payments, in addition to the

<sup>1</sup> Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Three), July 9, 2019 (Petition).

basic per item payment, for the timely return of scans. *Id.*

The Postal Service used a new methodology to distribute these PRIME enhanced payments in its most recent International Cost and Revenue Analysis (ICRA).<sup>2</sup> In the FY 2018 Annual Compliance Determination, the Commission accepted the Postal Service's distribution of the payments but determined that the Postal Service's revised methodology "must be thoroughly reviewed by the Commission and stakeholders through a docketed proceeding before it can be used in future ACRs."<sup>3</sup> Accordingly, the Commission directed "the Postal Service to file a petition for the initiation of a proceeding to review this proposed change in analytical principles within 90 days" of the issuance of the FY 2018 ACD. *Id.*

*Proposal.* The Postal Service's proposal seeks to revise the methodology used to distribute PRIME enhanced payments. Under the existing methodology, PRIME costs are distributed entirely to First-Class Package International Service (FCPIS) because the costs are treated as an "indistinguishable aggregate." Petition, Proposal Three at 1.

The Postal Service reports that it is now possible to distribute PRIME costs across products and between Negotiated Service Agreement (NSA) and non-NSA FCPIS. *Id.* This is accomplished by making use of the "UX" key for tracked mail in the System for International Revenue and Volume, Outbound (SIRVO). *Id.* at 3. As a result, Proposal Three expands the distribution of PRIME costs beyond FCPIS. *Id.*

*Rationale and impact.* The Postal Service states that the current methodology "does not take advantage of the additional information" provided by the UX key for tracked mail in SIRVO. *Id.* The Postal Service reports that the existing methodology allocates all PRIME costs to the non-NSA FCPIS settlements and unitizes those charges based on non-NSA volumes. *Id.* The Postal Service concludes that "[t]his essentially set the unitized PRIME payments too high." *Id.* Proposal Three seeks to distribute these amounts "based on proportions of UX across products and between NSA and non-NSA FCPIS." *Id.*

The impact of Proposal Three is that costs are shifted away from FCPIS to

<sup>2</sup> Docket No. ACR2018, USPS–FY18–NP2–FY 2018 International Cost and Revenue Analysis (ICRA) Report (Revised 2/11/19), February 11, 2019 (February 11 ICRA).

<sup>3</sup> Docket No. ACR2018, Annual Compliance Determination, April 12, 2019, at 105 (FY 2018 ACD).

Outbound Single-Piece First-Class Mail, Priority Mail Express International, International Priority Airmail (IPA), International Direct Sacks—M-Bags, and associated Outbound NSAs. *Id.* at 4.

**III. Notice and Comment**

The Commission establishes Docket No. RM2019–8 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 Three no later than August 19, 2019. Pursuant to 39 U.S.C. 505, Katalin K. Clendenin is designated as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

**IV. Ordering Paragraphs**

*It is ordered:*

1. The Commission establishes Docket No. RM2019–8 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 Three), filed July 9, 2019.

2. Comments by interested persons in this proceeding are due no later than August 19, 2019.

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.

**Ruth Ann Abrams,**  
*Acting Secretary.*

[FR Doc. 2019–15031 Filed 7–15–19; 8:45 am]

**BILLING CODE 7710–FW–P**

**POSTAL REGULATORY COMMISSION****39 CFR Part 3050**

[Docket No. RM2019–9; Order No. 5144]

**Periodic Reporting****AGENCY:** Postal Regulatory Commission.**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Commission is acknowledging a recent filing requesting the Commission initiate a rulemaking proceeding to consider changes to analytical principles relating to periodic reports (Proposal Four). This document informs the public of the filing, invites

public comment, and takes other administrative steps.

**DATES:** *Comments are due:* August 26, 2019.

**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 July 9, 2019, 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.<sup>1</sup> The Petition identifies the proposed analytical changes filed in this docket as Proposal Four.

**II. Proposal Four**

*Background.* The Postal Service seeks to modify the costing methodology for the non-negotiated service agreement (NSA) portions of International Priority Airmail (IPA) and International Surface Airlift (ISAL) products. Petition, Proposal Four at 1. The Postal Service states that Proposal Four relates to the Commission's directive in the FY 2018 Annual Compliance Determination Report (FY 2018 ACD) for the Postal Service to "consider the proposed change in analytical principles for PRIME enhanced payments, to ensure that the proposed distribution does not allocate . . . NSA-specific costs to the non-NSA IPA product."<sup>2</sup> The Postal Service notes that although the FY 2018 ACD directive focused on IPA product, ISAL is calculated in a parallel manner. Petition, Proposal Four at 1. As such, the Postal Service proposes changes to the costing methodology for both the IPA and ISAL products. *Id.*

The Postal Service states that the current International Cost and Revenue

Analysis (ICRA) model treats the non-NSA and NSA portions of IPA and ISAL as a single product (Total IPA and Total ISAL, respectively). *Id.* It is therefore unable to estimate the costs of the non-NSA portions of these products. *See id.* at 2-3.

*Proposal.* The Postal Service proposes to replace the Total IPA and Total ISAL data in its System for International Revenue and Volume, Outbound (SIRVO) sampling system. *Id.* at 3. The new SIRVO data would be input to the ICRA model with only the non-NSA portion of the IPA and ISAL product. *Id.* The previous module calculations would be removed, the model would be rerun, and terminal dues would be re-benchmarked to the General Ledger amounts. *Id.*

*Rationale and impact.* As the Commission noted in the FY 2018 ACD, the Postal Service's current methodology attributes too many costs to the non-NSA portion of IPA. FY 2018 ACD at 106-107. The Postal Service asserts that isolating the non-NSA portion of SIRVO for both IPA and ISAL will avoid attribution of NSA settlement expenses to the non-NSA portion of both products in the ICRA model. Petition, Proposal Four at 4.

The Postal Service states that the procedures proposed would more accurately reflect reduced unit costs and improved cost coverage for the non-NSA portions of both IPA and ISAL. *Id.* It also asserts that had the proposed methodology changes been in effect for FY 2018, revenues from the non-NSA portion of IPA would have covered its costs. *Id.*

**III. Notice and Comment**

The Commission establishes Docket No. RM2019-9 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 Four no later than August 26, 2019. Pursuant to 39 U.S.C. 505, the Commission designates Katalin K. Clendenin as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

**IV. Ordering Paragraphs**

*It is ordered:*

1. The Commission establishes Docket No. RM2019-9 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 Four), filed July 9, 2019.

2. Comments by interested persons in this proceeding are due no later than August 26, 2019.

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.

**Ruth Ann Abrams,**

*Acting Secretary.*

[FR Doc. 2019-15030 Filed 7-15-19; 8:45 am]

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**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 52**

[EPA-R10-OAR-2019-0269, FRL-9996-58-Region 10]

**Air Plan Approval; OR: 2018 Permitting Rule Revisions**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** The Environmental Protection Agency (EPA) proposes to approve revisions to the Oregon State Implementation Plan (SIP) submitted on December 11, 2018. The revisions update the SIP to allow for electronic public notice of proposed major stationary source permits, add references to stationary source sampling requirements, make use of plain language, and correct errors. The EPA reviewed the submitted revisions and proposes to find they are consistent with Clean Air Act requirements.

**DATES:** Comments must be received on or before August 15, 2019.

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA-R10-OAR-2019-0269, at <https://www.regulations.gov>. Follow the online instructions for submitting comments. Once submitted, comments cannot be edited or removed from *Regulations.gov*. The EPA may publish any comment received to its public docket. Do not electronically submit any information you consider to be Confidential Business Information (CBI) or other information the disclosure of which is restricted by statute. Multimedia submissions (audio, video, etc.) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to

<sup>1</sup> Petition of the United States Postal Service for the Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposal Four), July 9, 2019 (Petition).

<sup>2</sup> *Id.* at 2. Docket No. ACR2018, Annual Compliance Determination Report, April 12, 2019, at 107 (FY 2018 ACD).