

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
PARCEL SELECT CONTRACT 20 (MC2017-78)  
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2017-105

**USPS NOTICE OF CHANGE IN PRICES PURSUANT TO  
AMENDMENT TO PARCEL SELECT CONTRACT 20, FILED UNDER SEAL**  
(May 11, 2018)

The Postal Service hereby provides notice that prices under Parcel Select Contract 20, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Parcel Select Contract 20 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days after the day that the Commission completes its review of this filing.

The supporting financial documentation and a certified statement, as required by 39 C.F.R. § 3015.5, are included with this filing. The certified statement is provided in Attachment B. Redacted versions of the financial analysis are being filed today along with this pleading. Unredacted versions are being filed under seal. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

Elizabeth A. Reed

475 L'Enfant Plaza, SW  
Washington, D.C. 20260-1137  
(202) 268-3179  
[elizabeth.a.reed@usps.gov](mailto:elizabeth.a.reed@usps.gov)  
May 11, 2018

**ATTACHMENT A**

**REDACTED AMENDMENT TO  
PARCEL SELECT CONTRACT 20**

**AMENDMENT #3**  
**OF**  
**SHIPPING SERVICES CONTRACT**  
**BETWEEN**  
**THE UNITED STATES POSTAL SERVICE**  
**AND**  
[REDACTED]  
**REGARDING**  
**PARCEL SELECT SERVICE**

WHEREAS, the United States Postal Service (“the Postal Service”) and [REDACTED] (“Customer”) entered into a Shipping Services Contract regarding Parcel Select Service Contract 20/Docket No. CP2017-105, on December 9, 2016.

WHEREAS, the Parties desire to amend the terms in Section I.I.3 and add the terms in Sections I.I.4 and I.O of the Contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Section I.I.3 and add Sections I.I.4 and I.O, as follows.]

**I. Terms**

I. Annual Adjustment

3. Throughout the term of the Contract, the Pickup Fee in Section I.O below will increase on the anniversary of the Contract’s effective date, based on the average percentage increase for published Parcel Select 3-digit DSCF (non-lightweight).
4. Contract prices for subsequent Contract Years will be calculated by the Postal Service and rounded up to the nearest whole cent.

O. Pickup Fee. Beginning on the latter of the effective date of this Amendment, or on the date that the Postal Service confirms that Customer has met all operational and technical requirements established by the Postal Service, Customer may pay an additional fee (hereinafter “Pickup Fee”) for which the Postal Service will pick up eligible packages from Customer store locations [REDACTED]

[REDACTED] The Pickup Fee shall be [REDACTED] per pickup request, and adjusted pursuant to Section I.I.3. For clarification, the Parties agree that the Postal Service will pick up eligible Contract Packages under this Section I.O on a Monday through Saturday basis.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

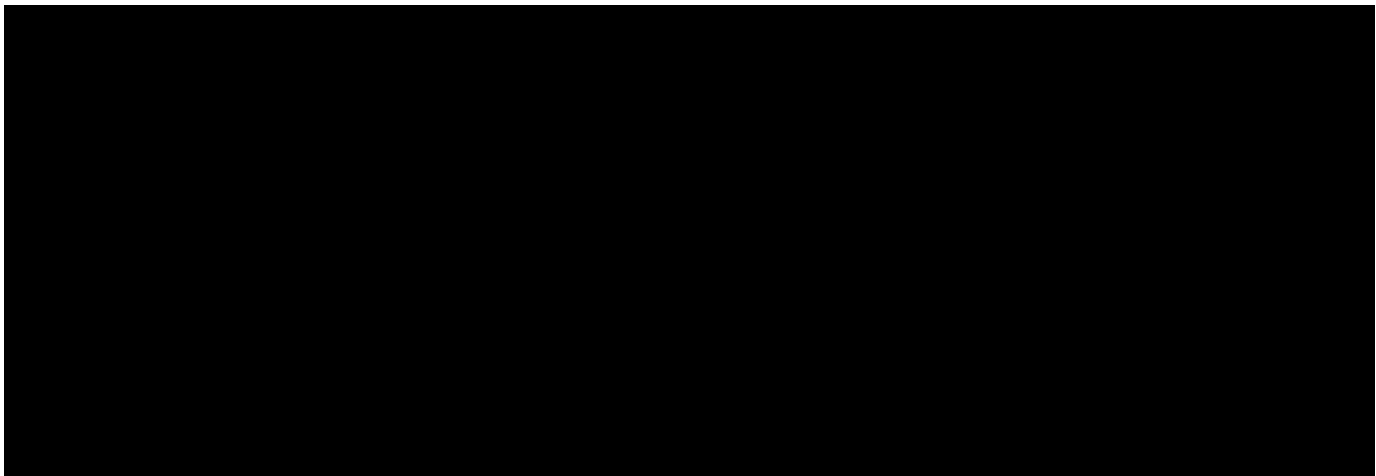
UNITED STATES POSTAL SERVICE

Signed by: *Dennis Nicoski*  
Dennis Nicoski (Mar 22, 2018)

Printed Name: Dennis Nicoski

Title: Senior Vice President, Sales and Customer Relations (Acting)

Date: Mar 22, 2018



**ATTACHMENT B**  
**FINANCIAL CERTIFICATION**

## **Certification of Prices for Amendment to Parcel Select Contract 20**

I, Steven R. Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for the amendment to Parcel Select Contract 20. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on in the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**Steven  
Phelps**

Digitally signed by Steven Phelps  
DN: cn=Steven Phelps, o=Pricing  
and Costing, ou=Pricing,  
email=steven.r.phelps@usps.gov,  
c=US  
Date: 2018.05.10 15:42:00 -04'00'

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Steven R. Phelps