

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Chairman;  
Michael Kubayanda, Vice Chairman;  
Mark Acton;  
Ann C. Fisher; and  
Ashley E. Poling

Competitive Product Prices  
Inbound Competitive Multi-Service Agreements  
with Foreign Postal Operators

Docket No. CP2018-96

Canada Post Corporation – United States Postal  
Service Contractual Bilateral Agreement (MC2010-34)  
Negotiated Service Agreements

ORDER ACKNOWLEDGING MODIFICATION TWO TO AN INBOUND COMPETITIVE  
MULTI-SERVICE AGREEMENT WITH FOREIGN POSTAL  
OPERATORS 1 NEGOTIATED SERVICE AGREEMENT

(Issued September 11, 2019)

I. INTRODUCTION

Pursuant to 39 U.S.C. § 407(d)(2), the Postal Service filed notice that it and the Canada Post Corporation (Canada Post) signed a modification to the current bilateral

negotiated service agreement between the postal operators (Agreement).<sup>1</sup> For the reasons discussed below, the Commission acknowledges Modification Two.

## II. BACKGROUND

In Order No. 4309, the Commission added the competitive inbound portions of the Agreement to the Mail Classification Schedule under the Inbound Competitive Multi-Service Agreement with Foreign Postal Operators 1 product.<sup>2</sup> On August 30, 2019, the Postal Service filed notice that it and Canada Post executed Modification Two to the Agreement. The Postal Service states that Modification Two “add[s] rates for certain market dominant inbound and outbound letter post mail streams.” Notice at 1. Because Modification Two concerns the market dominant portion of the Agreement, the Postal Service states the revisions contained in Modification Two are irrelevant to the criteria by which the Commission favorably reviewed the Agreement in Order No. 4309. *Id.* In response to an information request,<sup>3</sup> the Postal Service confirmed that Modification Two does not change the prices for the inbound competitive portion of the Agreement.<sup>4</sup>

The Postal Service states that Modification Two is scheduled to go into effect “after the fulfillment of certain conditions precedent specified in the [sic] Modification Two, which may occur (if at all) one year after October 17, 2018.” Request at 1-2 (footnote omitted); Modification Two at 1-2.

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<sup>1</sup> Notice of the United States Postal Service of Filing Modification to an Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 Negotiated Service Agreement, August 30, 2019, at 1-2 (Notice). Modification Two is an attachment to the Notice (Modification Two).

<sup>2</sup> See *generally* Order Approving Additional Inbound Competitive Multi-Service Agreement with Foreign Postal Operators 1 Negotiated Service Agreement, December 28, 2017 (Order No. 4309).

<sup>3</sup> Chairman’s Information Request No. 1, September 4, 2019.

<sup>4</sup> Response of the United States Postal Service to Chairman’s Information Request No. 1, September 9, 2019.

### III. COMMISSION ANALYSIS

The Commission has reviewed the Notice and Modification Two. Modification Two relates to the market dominant inbound and outbound mailstreams. Notice at 1. Because Modification Two does not change the prices for the inbound competitive portion of the Agreement, Modification Two does not affect the costs and revenue of the Agreement. Thus, the Commission acknowledges the revisions made to the Agreement pursuant to Modification Two.

*It is ordered:*

The Commission acknowledges the revisions made to the Inbound Competitive Multi-Service Agreement with Foreign Postal Operators 1 negotiated service agreement with the Canada Post Corporation pursuant to Modification Two.

By the Commission.

Darcie S. Tokioka  
Acting Secretary