

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
Interconnect Remuneration Agreement –
United States Postal Service and
Specified Postal Operators (MC2010-34)
Negotiated Service Agreement

Docket No. CP2020-141

NOTICE AND ORDER CONCERNING POSTAL SERVICE FILING
OF INBOUND COMPETITIVE MULTI-SERVICE AGREEMENT
WITH FOREIGN POSTAL OPERATORS

(Issued May 18, 2020)

I. INTRODUCTION

On May 15, 2020, the Postal Service filed a notice with the Commission pursuant to 39 C.F.R. § 3035.105 and Order No. 546,¹ giving notice that it has entered into the

¹ Notice of United States Postal Service of Filing Functionally Equivalent Inbound Competitive Multi-Service Agreement with Foreign Postal Operators, May 15, 2020 (Notice). Docket Nos. MC2010-34 and CP2010-95, Order Adding Inbound Competitive Multi-Service Agreements with Foreign Postal Service Operators 1 to the Competitive Product List and Approving Included Agreement, September 29, 2010 (Order No. 546).

Inbound Competitive Multi-Service Agreement with Foreign Postal Operators (FPOs). The Notice concerns the inbound portions of the competitive multi-product Interconnect Remuneration Agreement USPS and Specified Postal Operators (IRA-USPS Agreement). The Postal Service seeks to include the IRA-USPS Agreement within the Inbound Competitive Multi-Service Agreement with Foreign Postal Operators 1 (MC2010-34) product. Notice at 1. The IRA-USPS Agreement contains rates for inbound competitive parcels, packets, and registered mail. *Id.* at 5-6.

The Postal Service asserts that the IRA-USPS Agreement “is functionally equivalent to the baseline agreement filed in Docket No. MC2010-34 because the terms of this agreement are similar in scope and purpose to the terms of the TNT Post Agreement.” *Id.* at 3. Concurrent with the Notice, the Postal Service filed supporting financial documentation and the following documents:

- Attachment 1—an application for non-public treatment;
- Attachment 2—the IRA-USPS Agreement;
- Attachment 3—Governors’ Decision No. 19-1;
- Attachment 4—a certified statement required by 39 C.F.R. § 3035.105(c)(2).

Id. at 4-5.

The Postal Service intends for the IRA-USPS Agreement to become effective July 1, 2020, and continue indefinitely. *Id.* at 5. The Postal Service expects that additional FPOs will become party to the agreement and states that it will update this docket should additional FPOs accede to the IRA-USPS Agreement. *Id.*

The Postal Service states it intends for these rates to be in effect on July 1, 2020. *Id.* at 1. The Postal Service states that, beginning with the rates that will be in effect in 2021, any party to the IRA-USPS Agreement can change its delivery rates by communicating the new rates to the International Post Corporation by June 1 of the year preceding the rate’s application. *Id.* at 6. Additionally, the Postal Service notes that the IRA-USPS Agreement allows parties to self-declare rates within defined parameters. *Id.*

The Postal Service states that the IRA-USPS Agreement is in compliance with 39 U.S.C. § 3633 and is functionally equivalent to the inbound competitive portions of the baseline agreement which was included in the Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 product (MC2010-34). *Id.* at 10. For these reasons, the Postal Service avers that the IRA-USPS product should be added to the Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 product. *Id.*

II. COMMISSION ACTION

The Commission establishes Docket No. CP2020-141 to consider the Notice. Interested persons may submit comments on whether the IRA-USPS Agreement is consistent with 39 U.S.C. § 3633 and 39 C.F.R. § 3035.105 and whether it is functionally equivalent to the baseline agreement included in the Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 product (MC2010-34). Comments are due by June 1, 2020.

The Request and related filings are available on the Commission's website (<http://www.prc.gov>). The Commission encourages interested persons to review the Notice for further details.

The Commission appoints Natalie R. Ward to serve as Public Representative in this proceeding.

III. ORDERING PARAGRAPHS

It is ordered:

1. The Commission establishes Docket No. CP2020-141 for consideration of the matters raised by the Notice of United States Postal Service of Filing Functionally Equivalent Inbound Competitive Multi-Service Agreement with Foreign Postal Operators, May 15, 2020.

2. Pursuant to 39 U.S.C. 505, Natalie R. Ward is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.
3. Comments by interested persons are due by June 1, 2020.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Erica A. Barker
Secretary