

Modified May 9, 2005

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

POSTAL RATE AND FEE CHANGES
PURSUANT TO PUBLIC LAW 108-18

Docket No. R2005-1

MOTION OF UNITED STATES POSTAL SERVICE
FOR WAIVER AND FOR PROTECTIVE CONDITIONS FOR LIBRARY REFERENCE
THAT INCLUDES COSTS AND OTHER DATA ASSOCIATED WITH
THE FEDEX TRANSPORTATION AGREEMENT
(modified May 9, 2005)

The United States Postal Service hereby moves that the Commission waive the relevant portions of rules 31(k) and 54 with respect to one library reference, which is not provided with today's rate case filing, that includes costs and other data associated with the transportation agreement between the Postal Service and Federal Express ("FedEx"). The Postal Service also requests that the Commission establish protective conditions to govern the provision of this library reference.

The library reference which the Postal Service seeks to protect is USPS-LR-K-35, Calculation of FedEx Variability, a category 2 library reference sponsored by witness Nash (USPS-T-17). The library reference contains information pertaining to, and from, the FedEx agreement that both the Postal Service and FedEx consider to be commercially sensitive. This information includes cost data for fuel charges, non-fuel charges, and handling charges, all on a daily basis, as well as the applicable contract prices therefore. It also includes volume information on a daily basis.

This information is clearly commercially sensitive to both the Postal Service and FedEx. The Postal Service, which may now or in the future desire to contract for further

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air transportation services, has a strong interest in being able to obtain the best prices possible. Revealing the Postal Service's pricing arrangements with other suppliers of air transportation has the potential for interfering with the procurement process and defeating the Postal Service's interest in obtaining beneficial arrangements. FedEx could also be hampered in its ability to enter profitable contracts for the provision of air transportation services to others if its pricing arrangements with the Postal Service are publicly available.

Similarly, volume-related information pertaining to the contract is proprietary to both the Postal Service and FedEx. Postal Service competitors could use such information to transport or otherwise position their products in such a way as to compete unfairly against the Postal Service. The same holds true for competitors of FedEx. Also, both the Postal Service's and FedEx's ability to enter into transportation alliances with others would be adversely affected if knowledge of Postal Service volumes carried by FedEx were widely disseminated.

The Postal Service thus requests that the Commission adopt the protective conditions included as Attachment A, so that the library reference can be produced as soon as possible for the use of the participants and the Commission. Similar conditions

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were granted by the Commission in Docket No. R2001-1 for FedEx data. See Presiding Officer's Ruling No. R2001-1/5 (October 31, 2001).

Respectfully submitted,
UNITED STATES POSTAL SERVICE
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May 9, 2005

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

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