

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

Before Commissioners:

Ruth Y. Goldway, Chairman;  
Nanci E. Langley, Vice Chairman;  
Mark Acton;  
Dan G. Blair; and  
Tony L. Hammond

Competitive Product Prices  
Global Expedited Package Services 1  
(CP2008-4)  
Negotiated Service Agreement

Docket No. CP2009-60

NOTICE AND ORDER CONCERNING ADDITIONAL  
GLOBAL EXPEDITED PACKAGE SERVICES 1  
NEGOTIATED SERVICE AGREEMENT

(Issued August 17, 2009)

I. INTRODUCTION

On August 13, 2009, the Postal Service filed a notice announcing that it has entered into an additional Global Expedited Package Services 1 (GEPS 1) contract.<sup>1</sup> GEPS 1 provides volume-based incentives for mailers that send large volumes of Express Mail International (EMI) and/or Priority Mail International (PMI). The Postal Service believes the instant contract is functionally equivalent to previously submitted GEPS 1 contracts and is supported by the Governors' Decision filed in Docket No.

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<sup>1</sup> Notice of United States Postal Service Filing of Functionally Equivalent Global Expedited Package Services 1 Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, August 13, 2009 (Notice).

CP2008-4.<sup>2</sup> Notice at 1. It further notes that in Order No. 86, which established GEPS 1 as a product, the Commission held that additional contracts may be included as part of the GEPS 1 product if they meet the requirements of 39 U.S.C. 3633, and if they are functionally equivalent to previously submitted GEPS 1 contracts.<sup>3</sup> Notice at 1-2.

*The instant contract.* The Postal Service filed the instant contract pursuant to 39 CFR 3015.5. In addition, the Postal Service contends that the contract is in accordance with Order No. 86. The term of the instant contract is one year from the date the Postal Service notifies the customer that all necessary regulatory approvals have been received

In support of its Notice, the Postal Service filed four attachments as follows:

- Attachment 1 — an application for non-public treatment of materials to maintain the contract and supporting documents under seal;
- Attachment 2 — a redacted copy of Governors' Decision No. 08-7 which establishes prices and classifications for GEPS contracts;
- Attachment 3 — a redacted copy of the contract; and
- Attachment 4 — a certified statement required by 39 CFR 3015.5(c)(2).

*Functional equivalency.* The Postal Service asserts that the instant contract is functionally equivalent to prior GEPS 1 contracts. It contends that the instant contract satisfies the pricing formula and classification system established in Governors' Decision No. 08-7 and, except for tender locations, is the same as the contract in Docket No. CP2009-50.<sup>4</sup> *Id.* at 3. The Postal Service incorporates by reference the arguments made for functional equivalence in Docket No. CP2009-50 with previous GEPS 1 contracts. *Id.* It contends that the instant contract and all GEPS 1 contracts have similar cost and market characteristics. *Id.* The Postal Service also requests that

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<sup>2</sup> See Docket No. CP2008-4, Notice of United States Postal Service of Governors' Decision Establishing Prices and Classifications for Global Expedited Package Services Contracts, May 20, 2008.

<sup>3</sup> See Docket No. CP2008-5, Order Concerning Global Expedited Package Services Contracts, June 27, 2008, at 7 (Order No. 86).

<sup>4</sup> See Docket Nos. CP2009-50, PRC Order No. 262, Order Concerning Filing of Additional Global Expedited Package Services 1 Negotiated Service Agreement, July 29, 2009 (Order No. 262).

the contract in CP2009-50 be considered the baseline for determining functional equivalence with GEPS 1 contracts. *Id.* at 4.

The Postal Service concludes that this contract is in compliance with 39 U.S.C. 3633, and requests that this contract be included within the GEPS 1 product. *Id.*

The Postal Service states that the copy of the instant contract provided with this filing has not been signed by the mailer but the mailer has confirmed that it will sign the contract which will not be altered from the form presented to the Commission. The Postal Service has submitted the contract in this manner in the interest of having it reviewed by the Commission at this time and has committed to file the signed version of the contract upon final execution.

## II. NOTICE OF FILING

The Commission establishes Docket No. CP2009-60 for consideration of matters related to the contract identified in the Postal Service's Notice.

Interested persons may submit comments on whether the Postal Service's contract is consistent with the policies of 39 U.S.C. 3632, 3622 or 3642. Comments are due no later than August 25, 2009. The public portions of these filings can be accessed via the Commission's website ([www.prc.gov](http://www.prc.gov)).

The Commission appoints Paul L. Harrington to serve as Public Representative in the captioned filing.

## III. ORDERING PARAGRAPHS

*It is Ordered:*

1. The Commission establishes Docket No. CP2009-60 for consideration of the issues raised in this docket.
2. Comments by interested persons in these proceedings are due no later than August 25, 2009.

3. Pursuant to 39 U.S.C. 505, Paul L. Harrington is appointed to serve as officer of the Commission (Public Representative) to represent the interests of the general public in these proceedings.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Ann C. Fisher  
Acting Secretary