

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

COMPETITIVE PRODUCT PRICES
GLOBAL EXPEDITED PACKAGE SERVICES 1 (CP2008-4)
NEGOTIATED SERVICES AGREEMENT

Docket No.
CP2008-23

UNITED STATES POSTAL SERVICE MOTION FOR TEMPORARY RELIEF
(October 28, 2009)

In PRC Order No. 85, the Commission noted that it “stands ready to act quickly on requests for temporary relief based on extenuating circumstances” that threaten to interrupt the provision of rates to a customer as a result of the regulatory process and the statutory requirement of 39 U.S.C. § 3632(b)(3).¹ The customer whose competitive product rates were established in this docket wishes to renew its commitment to sending large volumes of Express Mail International and Priority Mail International for the next year at negotiated rates. By the terms of the contract filed in this docket, the current rates will expire on October 31, 2009, at midnight.

Although the Postal Service took steps to avoid any interruption in its ability to provide this customer access to negotiated rates, and although the customer likewise acted with foresight in signing its new agreement on September 29, 2009, extenuating circumstances have made it impossible for the Postal Service to file the new agreement 15 days prior to the intended effective date of November 1. As noted in its notice filed in PRC Docket No. CP2008-19 on September 8, 2009, the managers responsible for

¹ PRC Order No. 85, Order Concerning Global Plus Negotiated Service Agreements, June 27, 2008, at 10 (Order No. 85). In relevant part, 39 U.S.C. § 3632(b)(3) requires that rates not of general applicability established for competitive products be filed with the Commission at least 15 days in advance of their effective date.

GEPS agreements became aware of certain operational practices that may have a bearing on their cost coverage. When this discovery was made, the responsible staff members diverted their focus from moving new and renewing GEPS agreements through the Postal Service's internal approval process to determining what contracts could be impacted by the operational practices at issue. Analysis is continuing on the contract filed in PRC Docket No. CP2008-23.

Unfortunately, the delay required to ensure that the contract is in good order and reflects the actual operational practices in use made it impossible to complete the necessary internal financial review and management approval processes in time to file the new agreement at least 15 days prior to the anticipated effective date. Thus, the customer now faces the prospect of an interruption in their access to negotiated rates as a result of the processes that it must participate in when it does business with the Postal Service rather than with one of the Postal Service's competitors.

To avoid this result, the Postal Service asks that the Commission grant an extension to allow this product to remain on the competitive products list until such time as the Postal Service is able to notify the customer that the Commission has reviewed the customers' renewal agreement and acted on the Postal Service's request to add the new agreement to the competitive products list as a GEPS 2 product.

Conclusion

For the reasons discussed and in consideration of the customers' business continuity, the Postal Service asks the Commission to grant its request for temporary relief and allow the negotiated service agreement in this docket to remain on the competitive products list until such time as the effective date for the new agreement may be established.

Respectfully submitted,

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