

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

Before Commissioners:

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

Competitive Product Prices  
Global Expedited Package Services 2 (CP2009-50)  
Negotiated Service Agreement

Docket No. CP2010-66

NOTICE AND ORDER CONCERNING FILING OF ADDITIONAL  
GLOBAL EXPEDITED PACKAGE SERVICES 2  
NEGOTIATED SERVICE AGREEMENT

(Issued July 14, 2010)

I. INTRODUCTION

On July 13, 2010, the Postal Service filed a notice announcing that it has entered into an additional Global Expedited Package Services 2 (GEPS 2) contract.<sup>1</sup> The Postal Service believes the instant contract is functionally equivalent to previously submitted GEPS 2 contracts, and is supported by Governors' Decision No. 08-7, attached to the Notice and originally filed in Docket No. CP2008-4. *Id.* at 1, Attachment 3. The Notice also explains that Order No. 86, which established GEPS 1 as a product, also

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<sup>1</sup> Notice of United States Postal Service Filing of Functionally Equivalent Global Expedited Package Services 2 Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, July 13, 2010 (Notice).

authorized functionally equivalent agreements to be included within the product, provided that they meet the requirements of 39 U.S.C. 3633. *Id.* at 1. In Order No. 290, the Commission approved the GEPS 2 product.<sup>2</sup>

*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 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—a redacted copy of the contract;
- Attachment 2—a certified statement required by 39 CFR 3015.5(c)(2);
- Attachment 3—a redacted copy of Governors’ Decision No. 08-07, which establishes prices and classifications for GEPS contracts, a description of applicable GEPS contracts, formulas for prices, an analysis and certification of the Governors’ vote; and
- Attachment 4—an application for non-public treatment of materials to maintain redacted portions of the contract and supporting documents under seal.

The Notice advances reasons why the instant GEPS 2 contract fits within the Mail Classification Schedule language for GEPS 2. The Postal Service identifies customer-specific information, general contract terms and other differences that distinguish the instant contract from the baseline GEPS 2 agreement, all of which are highlighted in the Notice. Notice at 3-6.

The Postal Service contends that the instant contract is functionally equivalent to previously filed GEPS contracts and is substantially similar to that in Docket No. CP2009-50 in terms of the product being offered, the market in which it is offered, and its cost characteristics. *Id.* 2-3. See also *id.* at 6. (“[T]he relevant cost and market

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<sup>2</sup> Docket No. CP2009-50, Order Granting Clarification and Adding Global Expedited Package Services 2 to the Competitive Product List, August 28, 2009 (Order No. 290).

characteristics are similar, if not the same, for this contract and the baseline GEPS 2 contract.”).

The Postal Service also contends that its filings demonstrate that the new GEPS 2 contract complies with the requirements of 39 U.S.C. 3633. It requests that the contract be included within the GEPS 2 product. *Id.* at 6.

## II. NOTICE OF FILING

The Commission establishes Docket No. CP2010-66 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, 3633 or 3642. Comments are due no later than July 22, 2010. 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 filings.

## III. ORDERING PARAGRAPHS

*It is Ordered:*

1. The Commission establishes Docket No. CP2010-66 for consideration of matters raised by the Postal Service’s Notice.
2. Comments by interested persons in these proceedings are due no later than July 22, 2010.

3. Pursuant to 39 U.S.C. 505, Paul L. Harrington is appointed to serve as the 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.

Shoshana M. Grove  
Secretary