

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

COMPETITIVE PRODUCT PRICES
GLOBAL EXPEDITED PACKAGE SERVICES 1 (CP2008-04)
NEGOTIATED SERVICE AGREEMENT

Docket No.
CP2009-60

**UNITED STATES POSTAL SERVICE MOTION FOR PARTIAL RECONSIDERATION
OF ORDER NO. 525
(September 24, 2010)**

On August 28, 2009, the Postal Regulatory Commission (Commission) issued Order No. 291, adding the Global Expedited Package Services (GEPS) 1 agreement that is the subject of this docket to the product established in Docket No. CP2008-4.¹ In that Order, the Commission requested that the Postal Service give notice of the termination date of the agreement and to update that information if it changed. In response to Order No. 291, the Postal Service identified September 1, 2009, as the start date for the specific agreement that is the subject of this docket and August 31, 2010, as the termination date.²

On August 26, 2010, the Postal Service filed a Motion for Temporary Relief requesting that the Commission grant an extension to allow the existing contract 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

¹ PRC Order No. 291, Order Concerning Additional Global Expedited Package Services 1 Negotiated Service Agreement, PRC Docket No. CP2009-60, August 28, 2009, at 7.

² United States Postal Service Response To Order No. 291 Concerning the Termination Date of Global Expedited Package Services 1 Negotiated Service Agreement, Docket No. CP2009-60, September 2, 2009.

agreement and acted on the Postal Service's request to add the new agreement to the competitive products list as a GEPS 3 product."³

On August 27, 2010, the Commission issued Order No. 525, granting an extension of the contract that is the subject of this docket. Order No. 525 stated that "[t]he GEPS 1 contract in this proceeding is authorized to continue in effect until the sooner of the Commission's order on the successor contract or September 30, 2010."⁴ On September 14, 2010, the Commission issued Order No. 538 upon review of the successor contract to the contract that is the subject of this docket.⁵

The Postal Service respectfully seeks partial reconsideration of Order No. 525 to the extent that it establishes a termination date coinciding with the date of the order of the successor contract, rather than September 30, 2010. As background, in most cases, it is not possible for the Postal Service to terminate a GEPS contract on the day the Commission issues an order and program new rates in a successor agreement immediately thereafter. On August 27, 2010, when the Commission granted the Postal Service's Motion for Temporary Relief in this docket, it was not clear when the Commission might issue an order concerning the successor contract, which had yet to be filed. After the Commission granted the Postal Service's Motion for Temporary Relief, the Postal Service tentatively set September 30, 2010 as the termination date for the contract that is the subject of this docket and communicated this date to the customer.

³ Motion of the United States Postal Service for Temporary Relief, PRC Docket No. CP2009-60, August 26, 2010.

⁴ PRC Order No. 525, Order Granting Motion for Temporary Relief, PRC Docket No. CP2009-60, August 27, 2010, at 2.

⁵ PRC Order No. 538, Order Approving an Additional Global Expedited Package Services 3 Negotiated Service Agreement, PRC Docket No. CP2010-104, September 14, 2010.

Immediately after the Commission reviewed the successor contract in Order No. 538, the Postal Service did not change the termination date of the contract that is the subject of this docket, to be consistent with prior representations made to the customer. Moreover, for programming and contract administration reasons, the Postal Service needed additional time to give effect to the rates in the successor agreement.

Consequently, the Postal Service requests that the Commission reconsider Order No. 525 in part and authorize the contract that is the subject of this docket to continue in effect until September 30, 2010, after which time the successor instrument would take effect, thereby ensuring a smooth transition for the customer.

Respectfully submitted,

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