

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

Competitive Product Prices
Express Mail & Priority Mail Contract 7 (MC2009-32)
Negotiated Service Agreement

Docket No. CP2009-43

PUBLIC REPRESENTATIVE COMMENTS
(July 27, 2012)

I. BACKGROUND

In response to Order No. 1410,¹ the Public Representative hereby comments on the July 19, 2012 Notice of the United States Postal Service of Change in Termination Date Pursuant to Amendment to Express Mail & Priority Mail Contract 7 (Notice). Order No. 1410 established July 27, 2012 as the deadline for filing comments.

The amendment extends the contract's termination date to the effective date of the Postal Service's annual change in prices of general applicability for Priority Mail and Express Mail scheduled for January 2013. *Id.* Attachment A at 2. The Postal Service intends for the amendment to become effective on the date that the Commission completes its review of the Notice. *Id.*

II. DISCUSSION

The Public Representative has reviewed the Postal Service's Notice and the Statement of Supporting Justification (Attachment A), the amendment to the contract and the supporting financial models filed separately under seal. Based upon that review, the Public Representative concludes that the noticed change in termination date of the Express Mail & Priority Mail Contract 7 does not alter the contracts ability to

¹ Notice and Order Concerning Amendment to Express Mail & Priority Mail Contract 7 Negotiated Service Agreement, July 20, 2012

satisfy the applicable criteria of section 3642(b), and complies with the requirements of section 3633(a), concerning rates for competitive products.

The Postal Service's financial models demonstrate that the rates in the amended Express Mail & Priority Mail Contract 7 conform to 39 USC 3633(a). Express Mail & Priority Mail Contract 7 is likely to generate sufficient revenue to cover its attributable costs, enable competitive products as a whole to cover their costs and make a reasonable contribution to the Postal Service's institutional costs.

III. CONCLUSION

The Public Representative, after reviewing all materials the Postal Service submitted under seal in this matter, acknowledges that the amended Express Mail & Priority Mail Contract 7 appears to comport with relevant provisions of title 39. The Commission should approve the amended contract.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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