

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

COMPETITIVE PRODUCT PRICES
GLOBAL RESELLER EXPEDITED PACKAGE CONTRACTS
NEGOTIATED SERVICE AGREEMENTS

Docket No.
MC2013-51

COMPETITIVE PRODUCT PRICES
GLOBAL RESELLER EXPEDITED PACKAGE CONTRACTS 2
(MC2013-51)
NEGOTIATED SERVICE AGREEMENTS

Docket No.
CP2013-64

**UNITED STATES POSTAL SERVICE RESPONSE TO ORDER NO. 1746
CONCERNING EFFECTIVE DATE OF A GLOBAL RESELLER EXPEDITED
PACKAGE CONTRACTS 2 NEGOTIATED SERVICE AGREEMENT**
(August 7, 2013)

On June 13, 2013, the Postal Regulatory Commission (Commission) issued Order No. 1746, adding the specific agreement that is the subject of this docket (the 2013 Agreement) to the Global Reseller Expedited Package Contracts 2 product.¹ In that Order, the Commission directed that the Postal Service give notice of the effective date of the 2013 Agreement.² The Postal Service accordingly provides the following information.

Contract	Start Date	End Date
CP2013-64	August 8, 2013	August 7, 2014

¹ PRC Order No. 1746, Order Adding Global Reseller Expedited Package Contracts 2 to the Competitive Product List Negotiated Service Agreement, Docket Nos. MD2013-51 and CP2013-46, June 13, 2013, at 9.

² *Id.* at 10.

Because the effective date for the 2013 Agreement is August 8, 2013, the agreement that is the subject of Docket No. CP2011-55 (the 2010 Agreement) will terminate at 11:59pm on August 7, 2013.³

In Chairman's Information Request No. 1, the Commission asked the Postal Service to "identify the terms, if any, of the [2010 Agreement] that will continue to be in effect assuming an effective date is established for [the 2013 Agreement]."⁴ In response, the Postal Service explained that, neither the Reseller nor the Postal Service would be released from any applicable obligations arising under the 2010 Agreement, with the exception of a few paragraphs and articles of that agreement that are listed in Paragraph 2 of Article 14 of the 2013 Agreement.⁵

In Order No. 1746, the Commission stated that the Postal Service's "Response to CHIR No. 1 discusses particular terms of the 2010 Contract that do not continue in effect, but does not identify or explain which terms do continue in effect."⁶ In the order, the Commission requested that the Postal Service file with its notice of the effective date of the 2013 Agreement, "a list of the terms of the [2010 Agreement] that continue in effect after termination of that contract."⁷ In response, the Postal Service provides the following explanation.

The terms of the 2010 Agreement, with the exception of the few paragraphs and articles listed in Paragraph 2 of Article 14 of the 2013 Agreement, continue in effect

³ In accordance with Paragraph 2 of Article 14 of the 2013 Global Reseller Agreement. See Request of the United States Postal Service to Add Global Reseller Expedited Package Contracts 2 to the Competitive Products List and Notice of Filing a Global Reseller Expedited Package 2 Negotiated Service Agreement and Application for Nonpublic Treatment of Materials Filed Under Seal, Docket Nos. MC2013-51 and CP2013-64, May 24, 2013, Attachment 4, Article 14, Paragraph 2.

⁴ Chairman's Information Request No. 1, Docket Nos. MC2013-51 and CP2013-64, June 6, 2013, at 2.

⁵ See Response of the United States Postal Service to Chairman's Information Request No. 1, Docket Nos. MC2013-51 and CP2013-64, June 10, 2013.

⁶ PRC Order No. 1746, at 5.

⁷ *Id.* at 10.

after the termination of the 2010 Agreement, insofar as such terms apply to the Parties' remaining obligations to one another under the 2010 Agreement.⁸ Of course, neither party intends that payment of postage for items tendered after the expiration of the 2010 Agreement be in accordance with the rates set forth in the 2010 Agreement.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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⁸ In footnote 10 of Order No. 1746, the Commission also requested that the Postal Service reconcile an apparent inconsistency in the Postal Service's response to Chairman's Information Request No. 1. The inconsistency concerned Article 10 and Article 19 of the 2010 Agreement. The Postal Service offers the following explanation.

Article 10 of the 2010 Agreement, which concerns customs duties and taxes, is listed in Paragraph 2 of Article 14 of the 2013 Agreement. Therefore, Article 10 of the 2010 Agreement would not apply to items mailed after the termination of the 2010 Agreement.

In contrast, Article 19 of the 2010 Agreement, which concerns governing law, is not mentioned in Paragraph 2 of Article 14 of the 2013 Agreement. As a result, Article 19 of the 2010 Agreement, insofar as it applies to the Parties' remaining obligations to one another under the 2010 agreement, would continue in effect after the termination of the 2010 Agreement.