



November 12, 2013

Honorable Shoshana Grove  
Secretary  
Postal Regulatory Commission  
901 New York Avenue, NW, Suite 200  
Washington, DC 20268-0001

Dear Ms. Grove:

Pursuant to 39 U.S.C. § 407(d)(2), the U.S. Postal Service (Postal Service) is providing a copy of a modification to Annex 3 to Sub-Agreement B of the Agreement for the Delivery of Day-Certain Cross-Border Parcels. The Postal Service previously filed the Core Agreement and Sub-Agreement B of the Agreement for the Delivery of Day-Certain Cross-Border Parcels in PRC Docket No. CP2008-7 in response to Commission Order No. 84. The modification replaces the "delivery standards" tab from the excel spreadsheet filed as Annex B3 to to Sub-Agreement B. Due to an oversight, this modification was not filed on or before the effective date.

The Postal Service has marked the non-public version of the document as "Confidential" and "Non-Public" because the document contains information considered confidential and commercially sensitive by the Postal Service. The Postal Service considers certain portions of the document to be protected by 39 U.S.C. § 410(c)(2) and thereby not subject to mandatory disclosure under the Freedom of Information Act (FOIA). Consequently, the Postal Service has attached an application for non-public treatment of the document under 39 C.F.R. § 3007.21. In addition, we respectfully request that the Postal Regulatory Commission coordinate with us in the event that the document becomes subject to a FOIA request.

Please feel free to contact me if further information would be helpful.

Sincerely,

A handwritten signature in cursive script that reads "Anthony Alverno".

Anthony Alverno  
Chief Counsel  
Global Business

Enclosure

## **APPLICATION OF THE UNITED STATES POSTAL SERVICE FOR NON-PUBLIC TREATMENT OF MATERIALS**

In accordance with 39 C.F.R. § 3007.21, the United States Postal Service (Postal Service) hereby applies for non-public treatment of the enclosed modification to Annex 3 to Sub-Agreement B of the Agreement for the Delivery of Day-Certain Cross-Border Parcels (“Modification”). The Postal Service provides the Modification to the Postal Regulatory Commission (“Commission”) in accordance with 39 U.S.C. § 407(d). The unredacted Modification is being filed under seal, while a redacted copy is included as an enclosure to this transmittal. The Postal Service hereby furnishes the justification required for this application by 39 C.F.R. § 3007.21(c) below.

### **(1) The rationale for claiming that the materials are non-public, including the specific statutory basis for the claim, and a statement justifying application of the provision(s);**

Information of a commercial nature, which under good business practice would not be publicly disclosed, as well as third party business information, is not required to be disclosed to the public. 39 U.S.C. § 410(c)(2); 5 U.S.C. § 552(b)(3). The Commission may determine the appropriate level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets. 39 U.S.C. § 504(g)(3)(A).<sup>1</sup> Because the

---

<sup>1</sup> The Commission has indicated that “likely commercial injury” should be construed broadly to encompass other types of injury, such as harms to privacy, deliberative process, or law enforcement interests. PRC Order No. 194, Second Notice of Proposed Rulemaking to Establish a Procedure for According Appropriate Confidentiality, Docket No. RM2008-1, Mar. 20, 2009, at 11.

portions of materials filed non-publicly fall within the scope of information not required to be publicly disclosed, the Postal Service asks the Commission to support its determination that these materials are exempt from public disclosure and grant its application for their non-public treatment.

**(2) Identification, including name, phone number, and e-mail address for any third party who is known to have a proprietary interest in the materials, or if such an identification is sensitive, contact information for a Postal Service employee who shall provide notice to that third party;**

None

**(3) A description of the materials claimed to be non-public in a manner that, without revealing the materials at issue, would allow a person to thoroughly evaluate the basis for the claim that they are non-public;**

The Modification transmitted by the Postal Service contains delivery standards and specific operational information that reflect the Postal Service's confidential network and delivery capabilities. The Postal Service maintains that the redacted portions of the documents should remain confidential. Some of the material redacted from the Modification is marked because disclosure of it would enable a competitor to deduce the nature of redacted commercially sensitive information.

**(4) Particular identification of the nature and extent of commercial harm alleged and the likelihood of such harm;**

If the information that the Postal Service seeks to protect from disclosure due to its confidential nature were disclosed publicly, the Postal Service considers it quite likely that it would suffer harm. Revealing specific delivery standards and operational information for inbound parcels would enable competitors to develop parallel networks and to target specific countries for potential customers. The Postal Service considers it highly probable that, if this

information were made public, the Postal Service's competitors would take immediate advantage of it.

**(5) At least one specific hypothetical, illustrative example of each alleged harm;**

Harm: Parcel delivery competitors in the United States could use the delivery standards and operational information from the Modification to develop a parallel network with comparable standards.

Hypothetical: The Modification is made public on the Commission's website. A competing U.S. parcel delivery provider reviews the information, which is information that would otherwise be unavailable. The competitor analyzes the information and approaches the postal operators in the relevant foreign posts with a proposal to provide a similar service. Because it has "inside" information, the competitor would be better prepared to offer better delivery standards, or delivery standards that accommodate different operational needs. The competitor would be better prepared to take a hard line in its negotiations.

**(6) The extent of protection from public disclosure deemed to be necessary;**

The Postal Service maintains that the redacted portions of the materials filed non-publicly should be withheld from persons involved in competitive decision-making in the relevant market, as well as their consultants and attorneys, except for the foreign postal operators that are parties to the agreement and that therefore already have access to this information.

Additionally, the Postal Service believes that actual or potential customers of the Postal Service for similar products should not be provided access to the non-public materials.

**(7) The length of time deemed necessary for the non-public materials to be protected from public disclosure with justification thereof; and**

The Commission's regulations provide that non-public materials shall lose non-public status ten years after the date of filing with the Commission, unless the Commission or its authorized representative enters an order extending the duration of that status. 39 C.F.R. § 3007.30.

**(8) Any other factors or reasons relevant to support the application.**

None.

***Conclusion***

For the reasons discussed, the Postal Service asks that the Commission grant its application for non-public treatment of the identified materials.

EPG\_D Annex B 3 US v3

Dest. Country: USPS  
 Version: 5  
 Date: 10/01/2013  
 Applied from: 01/01/2013

Origin	Origin	Destination	CEO	CPO	Service Standard	
Country	OE (6 char)	OE (6 char)	(LAT)	(LPT)	vs CPO	Zone
Belgium						
Belgium						
Belgium						
Belgium						
Belgium						
Belgium						
Belgium						
Belgium						
Belgium						
Denmark						
Denmark						
Denmark						
Denmark						
Denmark						
Denmark						
Denmark						
Denmark						
Denmark						
Denmark						
Finland						
Finland						
Finland						
Finland						
Finland						
Finland						
Finland						
Finland						
Finland						
Finland						
France						
France						
France						
France						
France						
France						
France						
France						
France						
France						
Germany						
Germany						
Germany						
Germany						
Germany						
Germany						
Germany						
Germany						
Germany						
Germany						

EPG\_D Annex B 3 US v3

Dest. Country: USPS  
 Version: 5  
 Date: 10/01/2013  
 Applied from: 01/01/2013

Origin	Origin	Destination	CEO	CPO	Service Standard	
Country	OE (6 char)	OE (6 char)	(LAT)	(LPT)	vs CPO	Zone
Great Britain						
Great Britain						
Great Britain						
Great Britain						
Great Britain						
Great Britain						
Great Britain						
Great Britain						
Great Britain						
Great Britain						
Iceland						
Iceland						
Iceland						
Iceland						
Iceland						
Iceland						
Iceland						
Iceland						
Iceland						
Iceland						
Ireland						
Ireland						
Ireland						
Ireland						
Ireland						
Ireland						
Ireland						
Ireland						
Ireland						
Ireland						
Italy						
Italy						
Italy						
Italy						
Italy						
Italy						
Italy						
Italy						
Italy						
Italy						
Luxembourg						
Luxembourg						
Luxembourg						
Luxembourg						
Luxembourg						
Luxembourg						
Luxembourg						
Luxembourg						
Luxembourg						
Luxembourg						

EPG\_D Annex B 3 US v3

Dest. Country: USPS  
 Version: 5  
 Date: 10/01/2013  
 Applied from: 01/01/2013

Origin	Origin	Destination	CEO	CPO	Service Standard vs CPO	Zone
Country	OE (6 char)	OE (6 char)	(LAT)	(LPT)		
Netherlands						
Netherlands						
Netherlands						
Netherlands						
Netherlands						
Netherlands						
Netherlands						
Netherlands						
Netherlands						
Netherlands						
Norway						
Norway						
Norway						
Norway						
Norway						
Norway						
Norway						
Norway						
Norway						
Norway						
Portugal						
Portugal						
Portugal						
Portugal						
Portugal						
Portugal						
Portugal						
Portugal						
Portugal						
Portugal						
Slovakia						
Slovakia						
Slovakia						
Slovakia						
Slovakia						
Slovakia						
Slovakia						
Slovakia						
Slovakia						
Slovakia						
Slovenia						
Slovenia						
Slovenia						
Slovenia						
Slovenia						
Slovenia						
Slovenia						
Slovenia						
Slovenia						
Slovenia						

