

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

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL
PRIORITY MAIL CONTRACT 75

Docket No. MC2014-16

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 75 (MC2014-16)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2014-25

PUBLIC REPRESENTATIVE COMMENTS ON
POSTAL SERVICE REQUEST TO ADD
PRIORITY MAIL CONTRACT 75
TO COMPETITIVE PRODUCT LIST

(January 24, 2014)

I. SUMMARY

In response to Order No.1970,¹ the Public Representative hereby comments on the January 16, 2014, Request² the Postal Service filed.

The Public Representative observes that the Postal Service's Request comports with the provisions of 39 U.S.C. § 3642 and 39 C.F.R. § 3020.30. The "Contract" appears to be beneficial to the Postal Service, the contract partner and the general public.

¹ Notice and Order Concerning the Addition of Priority Mail Contract 75 to the Competitive Product List, January 17, 2014 (Notice).

² Request of the United States Postal Service to Add Priority Mail Contract 75 to the Competitive Product List and Notice of Filing (Under Seal) of Unredacted Governors' Decision Contract, and Supporting Data, January 16, 2014 (Request)..

II. DISCUSSION

The Postal Service filed its Request to add Priority Mail Contract 75 to the competitive product list. The Contract is a competitive product not of general applicability within the meaning of 39 U.S.C. § 3632(b)(3). It is effective one business day following the date the Commission issues its approval. Also, the Contract is to be in effect for three years unless either party decides, in writing, to terminate it. The Postal Service does note that terms of the Contract will be updated accordingly.

Based on the financial workpapers filed by the Postal Service it is likely that the Contract will meet the requirements of 39 U.S.C § 3633(a) during its first year. The Contract indicates that the pricing structure will help maintain the Contract's ability to meet the requirements of 39 U.S.C. § 3633(a) over the lifetime of the Contract. The Public Representative is also mindful that the Postal Service will file cost, revenue, and volume data in each year's Annual Compliance Report that will aid the Commission in ensuring the requirements of 39 U.S.C. § 3633(a) continue to be met.

III. CONCLUSION

After accessing and reviewing all materials the United States Postal Service submitted in this docket to include documents filed under seal for Docket Nos. MC2014-16 and CP2014-25, the Public Representative believes that the Contract will cover its attributable costs and make a positive contribution of at least 5.5 percent towards the Postal Service's total institutional costs.

The Public Representative respectfully submits the preceding Comments for the Commission's consideration.

Pamela A. Thompson
Public Representative

901 New York Ave. NW
Washington, DC 20268-0001
202-789-6834
Pamela.Thompson@prc.gov