

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

ADDITION OF GIFT CARDS PRICE CATEGORY TO GREETING CARDS AND STATIONERY PRODUCT	Docket No. MC2014-26
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**REPLY COMMENTS
OF UNITED STATES POSTAL SERVICE**
(July 17, 2014)

The Postal Service hereby files its reply to the Public Representative Comments on the Postal Service's Request to Add Gift Cards to the Competitive Product List (PR Comments), filed July 3, 2017. The Postal Service appreciates the Public Representative's conclusion that the Postal Service's request meets the requirements of 39 U.S.C. § 3642 and the Commission's Rules. PR Comments at 4-5. However, the Postal Service disagrees with the Public Representative's criticism of the Commission for granting the Postal Service interim authority to continue offering gift cards pending the completion of this proceeding. The PR claims that

The Commission's decision to "conditionally approve" the addition of Greeting Cards as a competitive product price category rewards the Postal Service for its untimely filing in this proceeding and encourages such filings in future proceedings. Moreover, there is no legal distinction between a product that is "conditionally" approved and one that is approved. The Commission does not cite a statute as a basis for the presumed distinction or as support for its decision to conditionally approve the Gift Card product price category. Thus, it could be argued that the decision to conditionally approve the Postal Service's Request is, *ipso facto*, an approval of the Request on its merits.

PR Comments at 6.

In fact, the Commission made clear that “this interim Order merely preserves the status quo pending the completion of this proceeding.” Order No. 2091 at 4 (June 13, 2014). Thus, until there is a final order in this proceeding, the Postal Service is limited to the market test prices,¹ and to selling the open loop gift cards offered during the market test. Thus, the interim order does not deny due process on the substantive issues raised by the Postal Service’s Request.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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¹ Order No. 2091 at 4, n. 7.