

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

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 85 (MC2014-34)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2014-60

**NOTICE OF UNITED STATES POSTAL SERVICE OF
AMENDMENT TO PRIORITY MAIL CONTRACT 85,
WITH PORTIONS FILED UNDER SEAL**

(October 20, 2014)

The Postal Service hereby provides notice that the terms of Priority Mail Contract 85, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 85 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective one business day following the day that the Commission completes its review of this filing.

This amendment will not materially affect the cost coverage of Priority Mail Contract 85. Therefore, the supporting financial documentation and financial certification initially provided in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the customer-identifying information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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October 20, 2014

ATTACHMENT A

REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 85

**AMENDMENT 1 OF 1
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND**

REGARDING PRIORITY MAIL SERVICE

WHEREAS, the United States Postal Service (“the Postal Service”) and [REDACTED] (“Customer”) entered into a shipping services contract regarding Priority Mail service on July 11, 2014.

WHEREAS, the Parties desire to amend I.E, I.F, and I.G, remove I.H, and renumber I.I to I.H under this contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective one business day following the day on which the Postal Regulatory Commission issues all necessary regulatory approval.

I. Terms

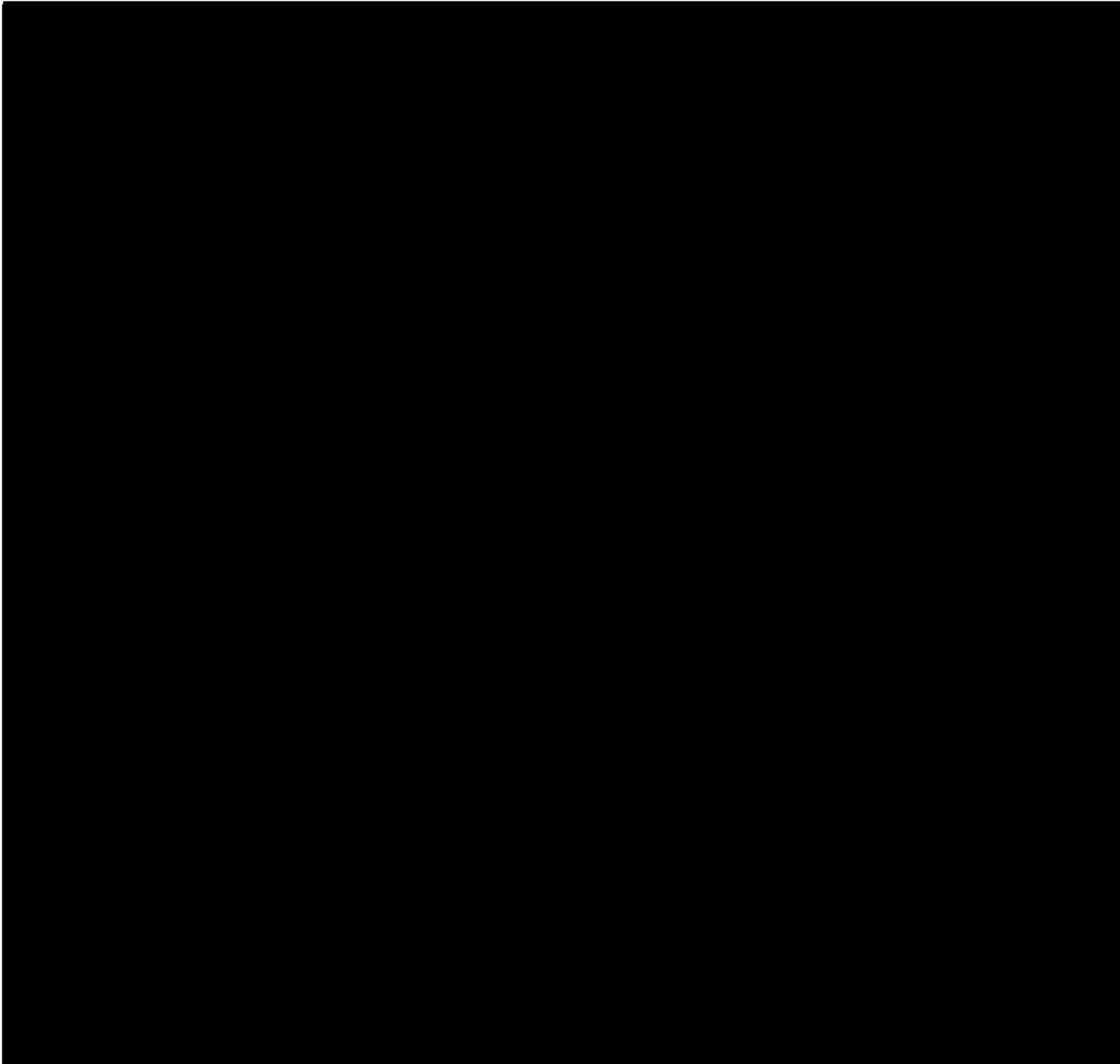
- E. The terms and prices contained herein will take effect on the Effective Date, as defined in Section II below. The Contract Quarters are defined in Table 1 below:

Table 1

Period Name	Start of Period	End of Period
Quarter 1	July 1 st	September 30 st
Quarter 2	October 1 st	December 31 st
Quarter 3	January 1 st	March 31 st
Quarter 4	April 1 st	June 30 th

- F. First Year Priority Mail Prices. During the first year of this contract, Customer shall receive a percentage discount off of published Priority Mail Commercial Plus prices based on Customer’s quarterly volume of Contract Packages, as outlined in Table 2 below.
1. First Quarter Prices. From the Effective Date, as defined in Section II below, until the end of the First Quarter, as defined in Table 1 above, Customer shall receive the Tier 2 percent discounts off of published Priority Mail

Commercial Plus prices for all Contract Packages as outlined in Table 2 below:



2. Second Quarter Prices. During the Second Quarter, as defined in Table 1 above, Customer shall receive the Tier 2 percent discounts off of published Priority Mail Commercial Plus prices for all Contract Packages as outlined in Table 2 above.
3. Third Quarter Prices. During the Third Quarter, Customer shall receive the percentage discounts off of published Priority Mail Commercial Plus prices

based on Customer's quarterly volume of Contract Packages shipped during the Second Quarter as outlined in Table 2 above.

4. Fourth Quarter Prices. During the Fourth Quarter, Customer shall receive the percentage discounts off of published Priority Mail Commercial Plus prices based on Customer's quarterly volume of Contract Packages shipped during the Third Quarter as outlined in Table 2 above.
- G. Subsequent Contract Year Prices. In subsequent contract years, the percentage discount off of published Priority Mail Commercial Plus prices, based on Customer's quarterly volume of Contract Packages (outlined in Table 2 above) shall be maintained throughout the life of the contract. Customized prices for subsequent years will be calculated by the Postal Service and rounded up to the nearest whole cent.
1. First Quarter prices will be based on Customer's volume of Contract Packages shipped during the Fourth Quarter, as defined in Table 1 above, of the prior contract year, pursuant to Term I.F Table 2 above.
 2. Second Quarter prices will be based on Customer's volume of Contract Packages shipped during the First Quarter, as defined in Table 1 above, of the same contract year, pursuant to Term I.F Table 2 above.
 3. Third Quarter prices will be based on Customer's volume of Contract Packages shipped during the Second Quarter, as defined in Table 1 above, of the same contract year, pursuant to Term I.F Table 2 above.
 4. Fourth Quarter prices will be based on Customer's volume of Contract Packages shipped during the Third Quarter, as defined in Table 1 above, of the same contract year, pursuant to Term I.F Table 2 above.
- H. Quarterly Business Reviews. The Parties shall, within fifteen (15) days after the conclusion of each Contract Quarter in each Contract Year, jointly conduct a business review of Customer's Contract Packages and other performance expectations under this contract either in person, by telecom or by webinar. If either Party is unable to conduct a business review within fifteen (15) days after the conclusion of the above referenced contract quarters, it shall notify the other Party in writing (i.e. email or mail) of that fact and propose a date as soon as practicable thereafter. The Postal Service must notify Customer, within fifteen (15) days after the start of each Contract Quarter, of the applicable tiered discounts for any Contract Packages shipped during that Contract Quarter.

IN WITNESS WHEREOF, the Parties hereto have caused this contract to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: 

Printed Name: Cliff Rucker

Title: Vice President, Sales

Date: 10/2/14

