

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

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL EXPRESS, PRIORITY MAIL &
FIRST-CLASS PACKAGE SERVICE CONTRACT 3
(MC2014-27)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2014-53

**NOTICE OF UNITED STATES POSTAL SERVICE OF
CHANGE IN PRICES PURSUANT TO
AMENDMENT TO PRIORITY MAIL EXPRESS, PRIORITY MAIL &
FIRST-CLASS PACKAGE SERVICE CONTRACT 3,
WITH PORTIONS FILED UNDER SEAL
(May 1, 2015)**

The Postal Service hereby provides notice that prices under Priority Mail Express, Priority Mail, and First-Class Package Service Contract 3, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Express, Priority Mail, and First-Class Package Service Contract 3 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective one business day after the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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May 1, 2015

ATTACHMENT A

**REDACTED AMENDMENT TO PRIORITY MAIL EXPRESS, PRIORITY MAIL &
FIRST-CLASS PACKAGE SERVICE CONTRACT 3**

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



**REGARDING PRIORITY MAIL EXPRESS, PRIORITY MAIL,
AND FIRST-CLASS PACKAGE SERVICE**

WHEREAS, the United States Postal Service (“the Postal Service”) and (“Customer”) entered into a shipping services contract regarding Priority Mail Express, Priority Mail and First-Class Package Service on June 2, 2014.

WHEREAS, the Parties desire to amend tier adjustment dates for Customer and to revise Terms I.F and I.G under this contract.

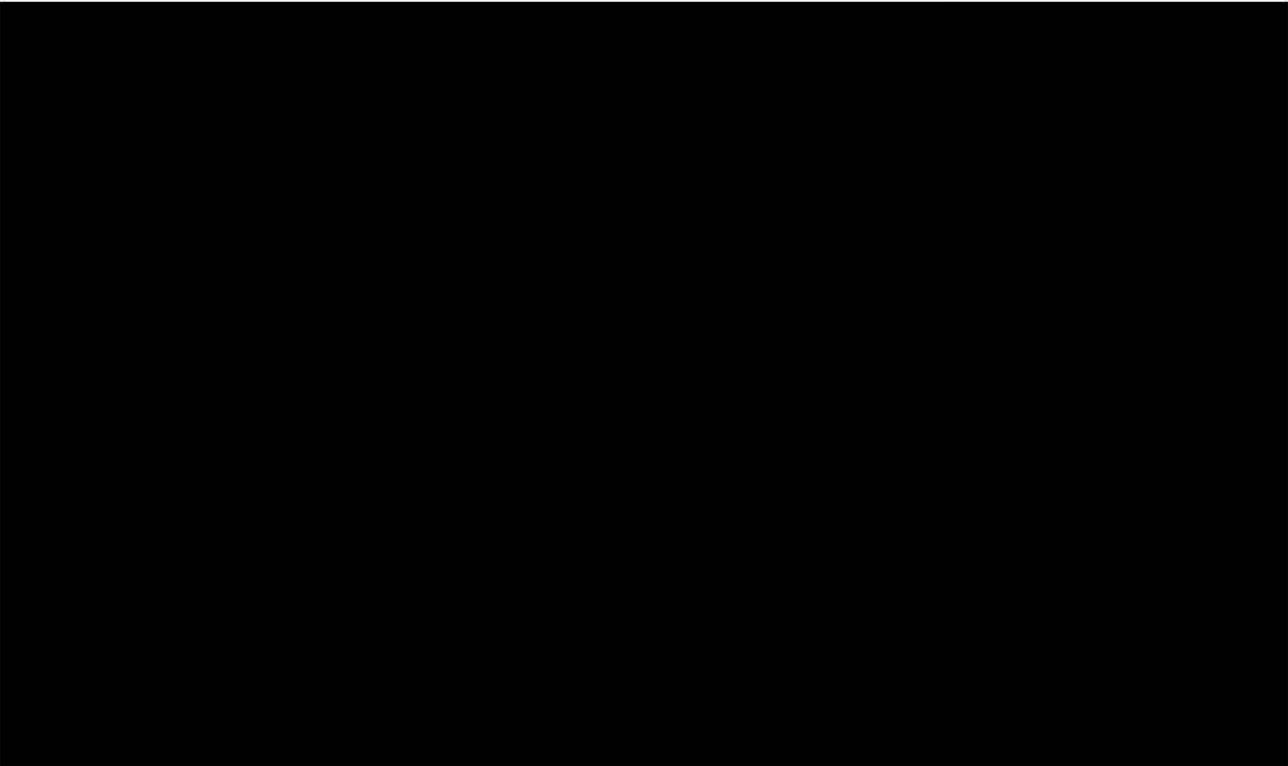
NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective one business day following the day on which the Commission issues all necessary regulatory approval.

I. Terms

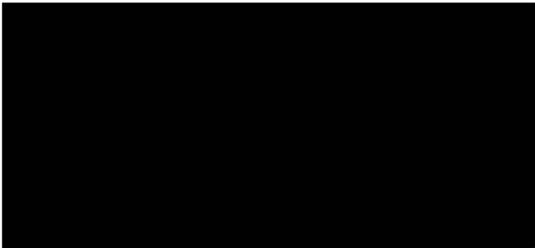
E. The terms and prices contained herein will take effect on the effective date as defined in Section II. The Contract Quarters are defined as:

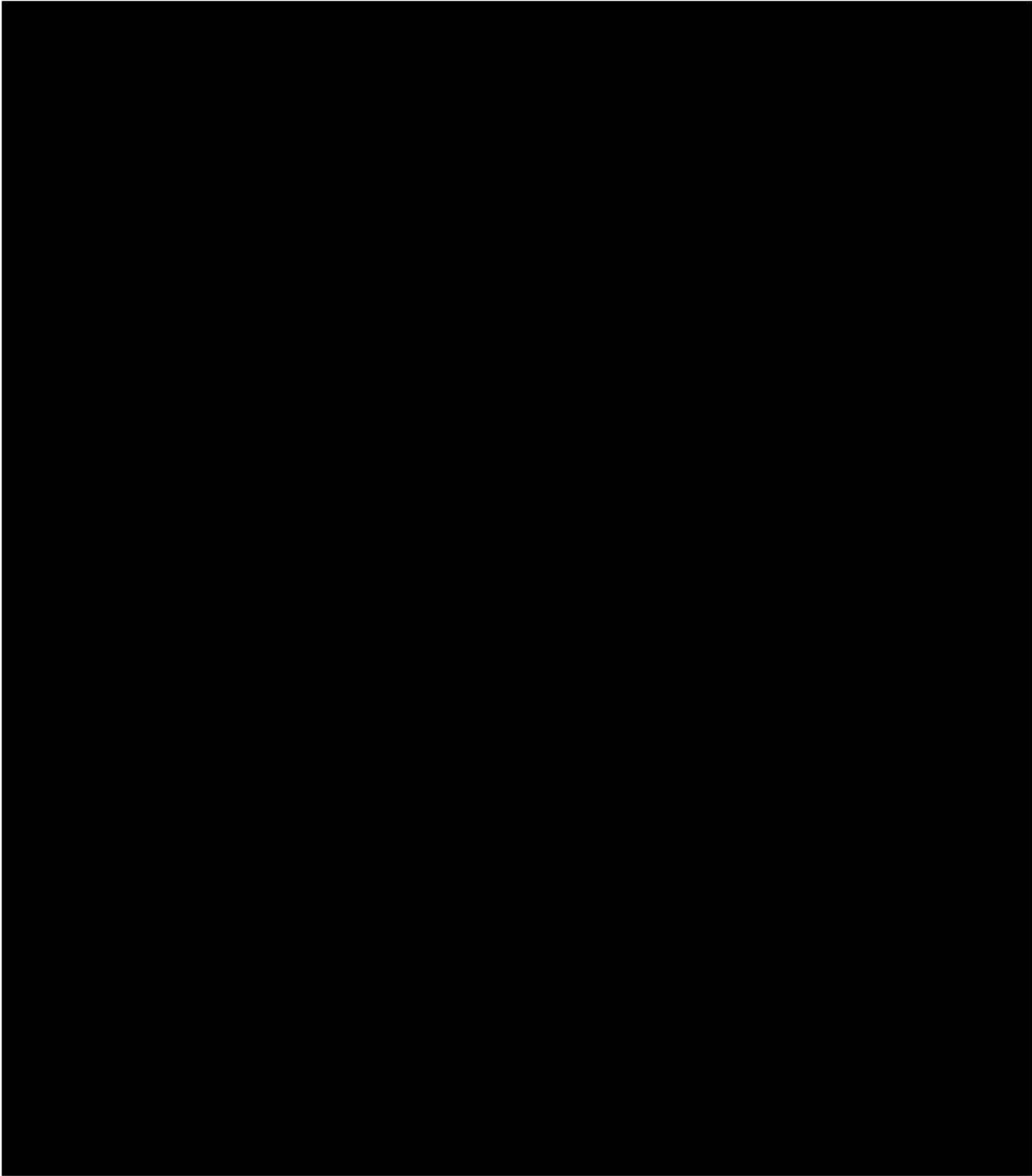
Period Name	Start of Period	End of Period
Quarter 1	April 1 st	June 30 th
Quarter 2	July 1 st	September 30 th
Quarter 3	October 1 st	December 31 st
Quarter 4	January 1 st	March 31 st

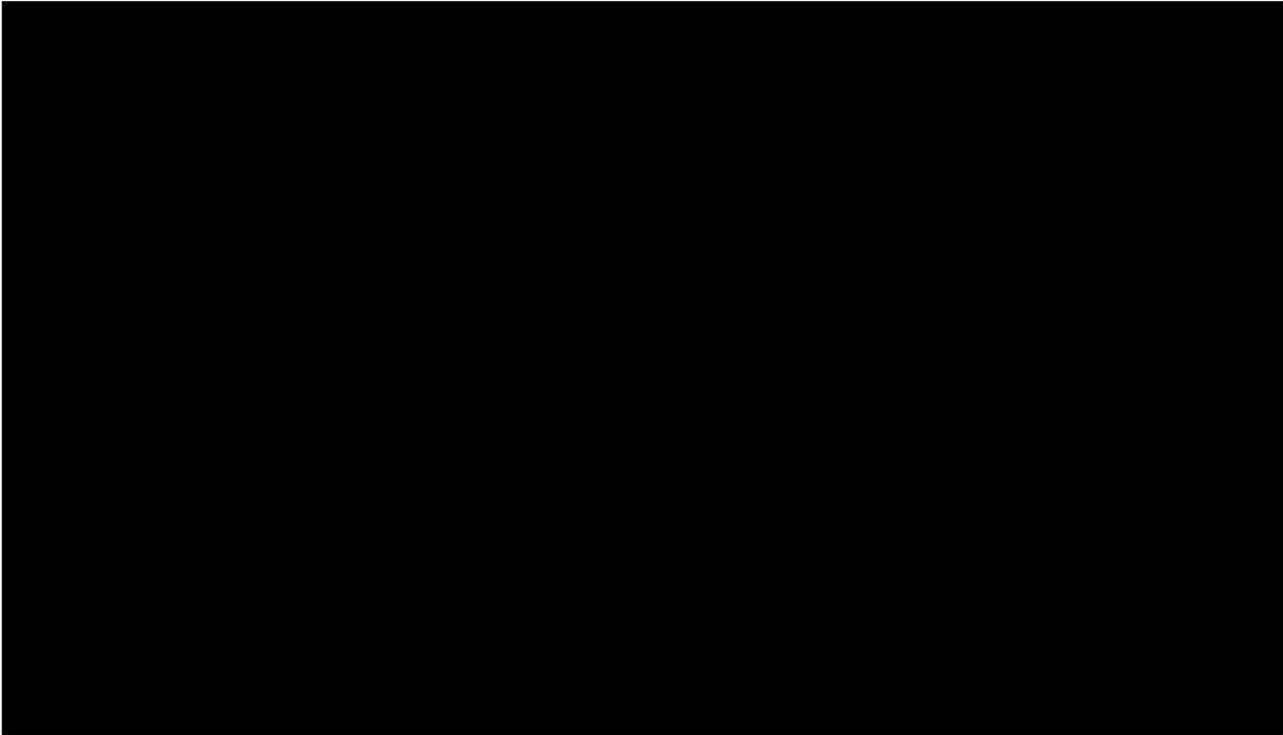
F. Initial Tier Discounts. From the effective date of this amendment until July 31, 2015, Customer shall receive the Tier 3 discounts outlined below.



G. Subsequent Tier Discounts. Beginning on August 1, 2015, Customer shall receive a percentage discount off of published Priority Mail Commercial Plus prices based on Customer's quarterly volume of Priority Mail (including Flat Rate Envelopes, Flat Rate Boxes, and Regional Rate Boxes), Priority Mail Express, and First-Class Package Service packages shipped during the most recent full Contract Quarter, pursuant to the chart below.







2. All discounted prices will be calculated by the Postal Service and Rounded up to the nearest whole cent.

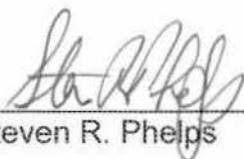
3. If Customer exceeds the volume tier maximum in any Contract Quarter, the discounted prices in the new tier will be effective on the first day of the second month after the conclusion of the Contract Quarter in which the volume maximum was exceeded.

ATTACHMENT B
FINANCIAL CERTIFICATION

**Certification of Prices for Amendment to
Priority Mail Express, Priority Mail, and First-Class Package Service
Contract 3**

I, Steven R. Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Express, Priority Mail, and First-Class Package Service Contract 3. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on in the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.



Steven R. Phelps