

ORDER NO. 2660

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

Before Commissioners:

Robert G. Taub, Acting Chairman;
Tony Hammond, Vice Chairman;
Mark Acton;
Ruth Y. Goldway; and
Nanci E. Langley

Competitive Product Prices
Priority Mail Contract 40 (MC2012-38)
Negotiated Service Agreement

Docket No. CP2012-46

ORDER GRANTING MOTION FOR TEMPORARY RELIEF IN PART

(Issued August 12, 2015)

The negotiated service agreement approved in this proceeding (Existing Agreement) is set to expire August 31, 2015.¹ Pursuant to Order No. 1523,² the Postal Service timely filed a motion requesting that the Commission extend the expiration date of the Existing Agreement.³

The Postal Service represents that the parties have been working to reach a new agreement, but, pursuant to 39 C.F.R. § 3015.5, will be unable to file a new agreement

¹ See Docket Nos. MC2012-38 and CP2012-46, Order No. 1444, Order Adding Priority Mail Contract 40 to the Competitive Product List, August 20, 2012, at 4.

² See Docket No. CP2009-38, Order Granting Motion for Temporary Relief and Providing Guidance Regarding Future Motions for Temporary Relief, November 1, 2012 (Order No. 1523).

³ Motion of the United States Postal Service for Temporary Relief, August 11, 2015 (Motion).

15 days prior to the intended effective date. Motion at 1-2. The Postal Service states that this is due to delays in the exchange of shipping data necessary to the contract negotiations and the customer's need for "additional time to implement certain IT changes." *Id.* at 2. The Postal Service asserts that it will continue to work toward signing a new agreement with the customer and filing it with the Commission soon thereafter. *Id.* Due to the timing of the regulatory process, the Postal Service contends that the delay in negotiations will create a window between the expiration of the Existing Agreement and the effective date of any new agreement filed with the Commission. *Id.* To avoid interrupting the customer's access to negotiated rates, the Postal Service requests that the Commission grant an extension to allow the Existing Agreement to remain in effect for 90 additional days. *Id.*

While the Commission appreciates that contract negotiations can become protracted due to a variety of foreseeable and unforeseeable issues, the Commission finds that a 90-day extension is not warranted and authorizes a 45-day extension at this time. Should additional time be needed to finalize contract terms or implement IT changes, the Postal Service may file a subsequent motion for temporary relief. Such a motion should state with particularity the circumstances necessitating the additional extension.

The Motion is granted in part. The Existing Agreement is modified to continue for 45 additional days and will expire on October 15, 2015, or the day after the Commission completes its review of a new agreement, whichever occurs first. Extending the expiration date of the Existing Agreement for 45 days is in the public interest and will not prejudice any person.

It is ordered:

1. The Motion of the United States Postal Service for Temporary Relief, filed August 11, 2015, is granted in part.

2. The Existing Agreement is extended for 45 additional days and will expire on October 15, 2015, or the day after the Commission completes its review of a new agreement, whichever occurs first.
3. Additional motions for temporary relief should state with particularity the circumstances necessitating the additional extension.

By the Commission.

Ruth Ann Abrams
Acting Secretary