

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 Express & Priority Mail Contract 9
(MC2012-29)
Negotiated Service Agreement

Docket No. CP2012-38

ORDER GRANTING SECOND MOTION FOR TEMPORARY RELIEF

(Issued August 26, 2015)

The temporary extension of the negotiated service agreement approved in this proceeding (Existing Agreement) is set to expire September 7, 2015.¹ The Postal Service filed a second motion for temporary relief seeking to further extend the expiration date of the Existing Agreement.²

The Postal Service represents that it has been working diligently with the contract partner over the past 2 months to avoid any interruption in access to negotiated rates. Motion at 1. Despite these efforts, the Postal Service notes that, pursuant to 39 C.F.R. § 3015.5, the parties will not be able to sign a new agreement in time for it to be filed with the Commission 15 days before the Existing Agreement's expiration date. *Id.* The

¹ See Order No. 1397, Order Adding Express Mail & Priority Mail Contract 9 to the Competitive Product List, July 10, 2012, at 5 (noting that the Existing Agreement was to expire 3 years after the date the Commission issued all necessary approvals); see also Order No. 2561, Order Granting Motion for Temporary Relief, July 2, 2015, at 2 (extending the expiration date of the Existing Agreement to September 7, 2015).

² Motion of the United States Postal Service for Temporary Relief, August 25, 2015 (Motion).

Postal Service further represents that it expects to sign a new agreement with the contract partner in the next 2 weeks and subsequently file that agreement with the Commission. *Id.* Thus, given 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 contract partner's access to negotiated rates, the Postal Service requests that the Commission grant a second extension to allow the Existing Agreement to remain in effect for 30 additional days. *Id.* at 2.

The Motion is granted. The Existing Agreement is modified to continue through, and will expire on, October 7, 2015, unless terminated earlier pursuant to the terms of the agreement. Temporary relief and modification of the Existing Agreement is in the public interest and will not prejudice any person.

The Commission notes that this is the second such extension request submitted by the Postal Service, and, while it appreciates the Postal Service's attention to this matter, the Commission urges it to be mindful of any pricing or costing issues potentially impacted by such delays, and urges such extensions to be used only in limited circumstances and not as a standard practice.

It is ordered:

1. The Motion of the United States Postal Service for Temporary Relief, filed August 25, 2015, is granted.
2. The Existing Agreement will expire October 7, 2015, or the day after the Commission completes its review of a new agreement, whichever occurs first.

By the Commission.

Shoshana M. Grove
Secretary