

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 THIRD MOTION FOR TEMPORARY RELIEF

(Issued October 1, 2015)

The most recent temporary extension of the negotiated service agreement approved in this proceeding (Existing Agreement) is set to expire October 7, 2015.<sup>1</sup> The Postal Service filed a third motion for temporary relief seeking to further extend the expiration date of the Existing Agreement.<sup>2</sup>

The Postal Service represents that it has been working diligently with the contract partner 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

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<sup>1</sup> See Docket Nos. MC2012-29 and CP2012-38, 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 through September 7, 2015); Order Granting Second Motion for Temporary Relief, August 26, 2015, at 2 (extending the expiration date of the Existing Agreement to October 7, 2015) (Order No. 2685).

<sup>2</sup> Motion of the United States Postal Service for Temporary Relief, September 30, 2015 (Motion).

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 Postal Service further represents that it has sent the customer a final proposed contract and is awaiting the customer's final approval and signature; however, the customer has requested additional time as the responsible personnel are experiencing a high volume of workload. *Id.* The Postal Service maintains that it expects to receive a signed contract back from the customer in the next 2 weeks and plans to immediately file the successor contract with the Commission. *Id.*

However, 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.* at 1-2. To avoid interrupting the contract partner's access to negotiated rates, the Postal Service requests that the Commission grant a third 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, November 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 third extension it has granted to the Postal Service regarding this contract, resulting in the contract being extended approximately 4 months past its original expiration. In granting the second extension, the Commission stated that it "urges such extensions to be used only in limited circumstances and not as a standard practice." Order No. 2685 at 2. The Commission does not intend to grant any further extensions on this contract, absent extraordinary circumstances.

*It is ordered:*

1. The Motion of the United States Postal Service for Temporary Relief, filed September 30, 2015, is granted.

2. The Existing Agreement will expire November 7, 2015, or the day after the Commission completes its review of a new agreement, whichever occurs first.

By the Commission.

Ruth Ann Abrams  
Acting Secretary