

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

Competitive Product Prices
Priority Mail Express Contract 25 (MC2015-22)
Negotiated Service Agreement

Docket No. CP2015-28

PUBLIC REPRESENTATIVE COMMENTS ON
POSTAL SERVICE NOTICE OF AMENDMENT
TO PRIORITY MAIL EXPRESS NEGOTIATED SERVICE AGREEMENT

(May 9, 2016)

The Public Representative hereby provides comments pursuant to Order No. 3269.¹ In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice of a change in the terms of Priority Mail Express Contract 25.² Attachment A to the Notice consists of a redacted version of the amendment to the original contract. The Commission originally approved Priority Mail Express Contract 25 in Order No. 2318.³

COMMENTS

As filed, the amendment replaces Sections I.E, I.F, and I.G of the original contract and amends both volume commitments and pricing. Attachment A at 1. Pursuant to 39 U.S.C. § 3633(a), the Postal Service's competitive prices must not result in the subsidization of competitive products by market dominant products; ensure that each competitive product will cover its attributable costs; and, ensure that all

¹ PRC Order No. 3269, Notice and Order Concerning Amendment to a Priority Mail Express Contract Negotiated Service Agreement, May 2, 2016.

² Notice of United States Postal Service of Change in Prices Pursuant to Amendment to Priority Mail Express Contract 25, April 29, 2016 (Notice).

³ PRC Order No. 2318, Order Adding Priority Mail Express Contract 25 to the Competitive Product List, January 9, 2015.

competitive products collectively contribute an appropriate share of the institutional costs of the Postal Service. The Public Representative has reviewed the original Priority Mail Express Contract 25, the Postal Service's amendment, and the financial work papers associated with both. Based upon that review, the Public Representative recommends Commission approval of the amendment to Priority Mail Express Contract 25. The amended contract appears to generate sufficient revenue to cover costs.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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