

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

COMPETITIVE PRODUCT PRICES
GLOBAL EXPEDITED PACKAGE SERVICES 6 (MC2016-149)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-188

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING ERRATA
CONCERNING GLOBAL EXPEDITED PACKAGE SERVICES 6 NEGOTIATED
SERVICE AGREEMENT**

(June 10, 2016)

The Postal Service hereby gives notice of filing errata concerning Attachment 5 for the Global Expedited Package Services 6 Negotiated Service Agreement filed in Docket No. CP2016-188.¹ Because of an oversight, the certification referred to Governor's Decision 08-7 instead of Governor's Decision 11-6. A redacted version of the revised certification is attached here.

An unredacted copy of the certification is filed under seal. The Postal Service hereby incorporates by reference the application for non-public treatment that was filed in conjunction with the Postal Service's May 31, 2016, notice in this docket.² The application protects from disclosure the information that has been redacted from the certification that the Postal Service is filing publicly.

¹ Request of the United States Postal Service to Add Global Expedited Package Services 6 Contracts to the Competitive Products List, and Notice of Filing (Under Seal) of Contract and Application for Non Public Treatment of Materials Filed Under Seal, Docket No. CP2016-188, May 31, 2016.

² Id. at Attachment 6

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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Certification of Prices for the Global Expedited Package Services Contract with
[REDACTED]

I, Steven Phelps, Manager of Regulatory Reporting and Cost Analysis, Finance Department, United States Postal Service, am familiar with the prices for the Global Expedited Package Services Contract with [REDACTED]. The prices 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, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates, issued March 22, 2011 (Governors' Decision No. 11-6), which established prices by means of price floor and ceiling formulas.

I hereby certify that the numerical cost values underlying the prices in the [REDACTED] contract are the appropriate costs to use in the formulas and represent the best available information. The prices, resulting in a cost coverage of in excess of the minimum required by the Governors' Decision, exclusive of pickup on demand and international ancillary services fees, are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). The prices demonstrate that the Contract should cover its attributable costs and preclude the subsidization of competitive products by market dominant products. International competitive mail accounts for a relatively small percentage of the total contribution by all competitive products. Contribution from Global Expedited Package Services Contracts should be even smaller. The Agreement with [REDACTED] should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.



Steven Phelps