

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

Before Commissioners:

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

Competitive Product Prices
Global Expedited Package Services 3 (MC2010-28)
Negotiated Service Agreement

Docket No. CP2015-119

ORDER GRANTING MOTION FOR TEMPORARY RELIEF
AND APPROVING MODIFICATION

(Issued September 7, 2016)

The negotiated service agreement approved in this proceeding (Existing Agreement) expired on August 31, 2016.¹ On September 2, 2016, the Postal Service filed a combined motion for temporary relief and notice of filing a modification

¹ See Order No. 2650, Order Approving Additional Global Expedited Package Services 3 Negotiated Service Agreement, August 11, 2015, at 7.

(Modification) to the Existing Agreement.² The Postal Service states that it expects to file a successor to the Existing Agreement in a new rate docket. Motion at 2. Pending the initiation of that docket, the Postal Service requests that the Commission approve the Existing Agreement, as modified, and list it on the Mail Classification Schedule from the day after the Commission completes its review until November 30, 2016. *Id.*; see also *id.* Attachment 1 at 1.

In its Motion, the Postal Service acknowledges that the Commission has previously directed it to file motions for temporary relief at least one week prior to the expiration date of the agreement.³ The Postal Service explains that it “did not manage to sign the modification until September 2, 2016” due to miscommunications. *Id.* at 1, n.3.

The Commission appreciates the Postal Service’s candor. At the same time, the Commission observes that filing motions for temporary relief less than one week prior to an agreement’s expiration date appears to be becoming a routine practice on the part of

² Motion of the United States Postal Service for Temporary Relief and Notice of the United States Postal Service of Filing Modification to Global Expedited Package Services 3 Negotiated Service Agreement, September 2, 2016 (Motion). A redacted version of the modification appears as Attachment 1 to the Motion (Modification). Motion at 1, n.2. The customer and the Postal Service have executed the Modification. *Id.* at 1. The Postal Service filed an unredacted version of the Modification under seal and incorporated, by reference, a previous Application for Non-Public Treatment of Materials Filed Under Seal. *Id.*; see also Notice of United States Postal Service of Filing a Functionally Equivalent Global Expedited Package Services 3 Negotiated Service Agreement and Application for Non-Public Treatment of Materials Filed Under Seal, July 31, 2015, Attachment 4.

³ Motion at 1, n.3, quoting Docket No. CP2015-76, Order No. 3371, Order Granting Motion for Temporary Relief and Approving Modification One, June 15, 2016, at 2.

the Postal Service.⁴ The Postal Service itself tacitly acknowledges this, stating that it is “in the process of taking steps to improve its renewal procedures for international negotiated service agreements.” Motion at 1, n.3.

The Commission has repeatedly stated that motions for temporary extensions of an agreement should be filed at least one week prior to the agreement’s expiration date.⁵ Failure to do so may compromise the Commission’s ability to act prior to the contract’s expiration, which may inadvertently harm the Postal Service’s customers (e.g., inability to ensure continuity of previously negotiated rates).

The Commission reiterates that the dates on which contracts are scheduled to expire are known.⁶ The Commission looks forward to the Postal Service’s improved contract renewal procedures so that motions like the instant Motion are not standard practice.

The Commission grants the Motion and approves the Modification. Allowing the Existing Agreement to remain in effect temporarily is in the public interest and will not prejudice any person. The Existing Agreement is modified to continue as of September 8, 2016, through November 30, 2016, unless terminated earlier pursuant to contractual terms.

⁴ On the same day that this Motion was filed, the Postal Service also filed motions for temporary relief in four other dockets. See Docket No. CP2015-75, Motion of the United States Postal Service for Temporary Relief and Notice of the United States Postal Service of Filing Modification Five to Global Expedited Package Services 3 Negotiated Service Agreement, September 2, 2016; Docket No. CP2015-86, Motion of the United States Postal Service for Temporary Relief and Notice of the United States Postal Service of Filing a Modification Three to a Global Expedited Package Services 3 Negotiated Service Agreement, September 2, 2016; Docket No. CP2015-104, Motion of the United States Postal Service for Temporary Relief and Notice of the United States Postal Service of Filing Modification Two to Global Expedited Package Services 3 Negotiated Service Agreement, September 2, 2016; Docket No. CP2015-105, Motion of the United States Postal Service for Temporary Relief and Notice of the United States Postal Service of Filing a Modification to a Global Expedited Package Services 3 Negotiated Service Agreement, September 2, 2016.

⁵ See e.g., Docket No. CP2013-70, Order No. 3495, Order Granting Motion for Temporary Relief, September 2, 2016, at 1 n.1.

⁶ See e.g., Docket No. CP2009-38, Order No. 1523, Order Granting Motion for Temporary Relief and Providing Guidance Regarding Future Motions for Temporary Relief, November 1, 2012, at 2.

It is ordered:

1. The Motion of the United States Postal Service for Temporary Relief, filed September 2, 2016, is granted.
2. The Commission approves the Modification, filed by the Postal Service on September 2, 2016.
3. The Mail Classification Schedule will list the Existing Agreement according to the terms set forth in the Modification.

By the Commission.

Stacy L. Ruble
Secretary