

## Negotiated Service Agreements (NSAs) Statistics August 2015 Update

In FY 2015 (to date), the Commission has approved 127 NSAs. Of these NSAs, 2 were Market Dominant and 125 were Competitive. Table 1 shows these NSAs, as well as the number of NSAs approved during each of the past seven fiscal years. These NSAs require prior Commission review for compliance with statutory and regulatory criteria.

**Table 1: NSAs Approved by the Commission Under the PAEA<sup>1</sup>  
FY 2008 – FY 2015**  
(As of August 31, 2015)

NSAs	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Total
<b>Market Dominant</b>									
Domestic	0	0	0	1	1	1	1	0	4
International	0	1	3	3	4	4	6	2	23
<b>Total Market Dominant</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>7</b>	<b>2</b>	<b>27</b>
<b>Competitive</b>									
Domestic	1	32	13	13	32	52	40	75	258
International	16	34	111	48	22	29	36	50	346
<b>Total Competitive</b>	<b>17</b>	<b>66</b>	<b>124</b>	<b>61</b>	<b>54</b>	<b>81</b>	<b>76</b>	<b>125</b>	<b>604</b>
<b>Total NSAs</b>	<b>17</b>	<b>67</b>	<b>127</b>	<b>65</b>	<b>59</b>	<b>86</b>	<b>83</b>	<b>127</b>	<b>631</b>

<sup>1</sup> Since the enactment of the PAEA, the Commission has approved all but one NSA requested by the Postal Service. See PRC Order No. 2410, issued March 24, 2015.

During the past several years, the Commission has approved products that authorize the Postal Service to enter into contracts featuring negotiated rates without prior Commission review. Such contracts must comply with the Commission's classification and regulatory requirements, including pre-approved pricing formulas, minimum cost coverage, and documentation. The absence of pre-implementation review streamlines the approval process, providing the Postal Service with additional flexibility. These types of NSA products are known as non-published rates (NPR) products.

The Commission has approved eight NPR products since their inception in FY 2011: Global Expedited Package Services (GEPS)–NPR 1, GEPS–NPR 2, GEPS–NPR 3, GEPS–

NPR 4, GEPS–NPR 5, GEPS–NPR 6, Priority Mail–NPR, and Priority Mail International Regional Rate Boxes–NPR. All eight NPR products are Competitive.

In FY 2015 (to date), the Postal Service has implemented 78 contracts authorized by NPR products. Table 2 shows these contracts, as well as the number of contracts implemented during each of the past four fiscal years.

**Table 2: Contracts Implemented by the Postal Service by NPR Product  
FY 2011 – FY 2015**

(As of August 31, 2015)

NPR Products	Number of Contracts					
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	Total
GEPS–NPR 1, 2, 3, 4,5, and 6 <sup>1</sup>	168	141	129	124	78	640
Priority Mail–NPR	3	3	2	1	0	9
Priority Mail International Regional Rate Boxes–NPR	N/A	N/A	0	0	0	0
<b>Total</b>	<b>171</b>	<b>144</b>	<b>131</b>	<b>125</b>	<b>78</b>	<b>649</b>

<sup>1</sup> For display purposes, Table 2 lists all five GEPS–NPR products as a single line item.