Postal Regulatory Commission
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BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268–0001

COMPETITIVE PRODUCT PRICES FIRST-CLASS PACKAGE SERVICE CONTRACT 87 (MC2018–59) NEGOTIATED SERVICE AGREEMENT	Docket No. CP2018–98

USPS NOTICE OF AMENDMENT TO
FIRST-CLASS PACKAGE SERVICE CONTRACT 87,
FILED UNDER SEAL
(May 31, 2023)

The Postal Service hereby provides notice that the terms of First-Class Package Service Contract 87, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to First-Class Package Service Contract 87 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective three business days following the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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May 31, 2023

ATTACHMENT A

REDACTED AMENDMENT TO FIRST-CLASS PACKAGE SERVICE CONTRACT 87

AMENDMENT #1
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[redacted]
REGARDING
FIRST-CLASS PACKAGE SERVICE

WHEREAS, the United States Postal Service (the "Postal Service") and [redacted] ("Customer") entered into a Shipping Services Contract, FCPS Contract 87/Docket No. CP2018-98 regarding First-Class Package Service on December 11, 2017 ("Contract").

WHEREAS, the Parties desire to amend the terms in Section I.B, including new Table A, Sections I.E, I.F, including new Tables A.1 and A.2 and Section IV of the Contract.

NOW, THEREFORE, the Parties agree that the Contract is hereby amended as detailed below. The existing Contract remains unchanged in all other respects. This amendment #1 ("Amendment") shall become effective three (3) business days following the day on which the Commission issues all necessary regulatory approval ("Amendment Effective Date"). Capitalized terms that are not defined in this Amendment will have the meanings given to them in the Contract.

I. Terms

B. This Contract applies to Customer's outbound First-Class Package Service - Commercial[1] packages that do not exceed [redacted] ("Contract Packages"). Beginning as of July 1, 2023, Contract Packages originating from and/or addressed to ZIP Codes contained in Table A below and [redacted] will receive prevailing published First-Class Package Service – Commercial pricing.

[redacted]

[1] Beginning on July 9, 2023, First-Class Package Service will be renamed USPS Ground Advantage, and all such references in this Contract to First-Class Package Service will be replaced with USPS Ground Advantage.

E. The Parties agree to a non-binding good faith estimate of at least [redacted] First-Class Package Service packages shipped under this Contract from July 1, 2023 through September 30, 2023.

F. Contract Prices.

1. The following prices apply to Customer's Contract Packages from the Amendment Effective Date through June 30, 2023.

[redacted]

2. The following prices apply to Customer's Contract Packages beginning July 1, 2023 through September 30, 2023.

[redacted]

[2] Beginning July 1, 2023, Contract Package prices found in Table A.2 will apply to First-Class Package Service ounce-based Contract Packages. Beginning July 9, 2023, the prices found in Table A.2 will apply to USPS Ground Advantage ounce-based Contract Packages.

[redacted]

IV. Expiration, Termination, and Extension

A. Expiration. This Contract will expire on September 30, 2023, unless (1) terminated by either Party with ninety (90) calendar days' notice to the other Party in writing pursuant to Section IV.B; (2) superseded by a subsequent contract between the Parties; (3) ordered by the Commission or a court; or (4) otherwise required to comply with subsequently enacted legislation.

B. *Unchanged.*

C. *Deleted.*

[Signature page to follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: DocuSigned by: Shibani Gambhir C484A267FBFB4E3...

Printed Name: Shibani Gambhir

Title: Vice President Business Development

Date: May 19, 2023

[redacted]

ATTACHMENT B

SIGNED CERTIFICATION

Attachment B

Certification of Prices for Amendment to

First-Class Package Service Contract 87

I, Lisa H. Arcari, Director, Domestic Package Pricing, Finance Department, am familiar with the prices and terms for the amendment to First-Class Package Service Contract 87. The amended prices and terms 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 (Governors' Decision No. 19-1).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Lisa Arcari

Digitally signed by Lisa Arcari
Date: 2023.05.31 14:50:35 -04'00'

Lisa H. Arcari