

contracts enable the Postal Service to provide Priority Mail service to an individual customer at customized rates.<sup>2</sup> The Postal Service asserts that Priority Mail Contract 37 is a competitive product “not of general applicability” within the meaning of 39 U.S.C. 3632(b)(3). Request at 1. The Request has been assigned Docket No. MC2012–3.

The Postal Service contemporaneously filed a redacted contract related to the proposed new product under 39 U.S.C. 3632(b)(3) and 39 CFR 3015.5. *Id.* Attachment B. The instant contract has been assigned Docket No. CP2012–7.

*Request.* To support its Request, the Postal Service filed six attachments as follows:

- Attachment A—a redacted copy of Governors’ Decision No. 09–6, authorizing certain Priority Mail contracts, and a certification of the Governors’ vote;
- Attachment B—a redacted copy of the contract;
- Attachment C—proposed changes to the Mail Classification Schedule competitive product list that would add Priority Mail Contract 37 under Domestic Negotiated Service Agreements;
- Attachment D—a Statement of Supporting Justification as required by 39 CFR 3020.32;
- Attachment E—a certification of compliance with 39 U.S.C. 3633(a); and
- Attachment F—an application for non-public treatment of materials to maintain redacted portions of the contract, customer-identifying information, and related financial information under seal.

In the Statement of Supporting Justification, Dennis R. Nicoski, Manager, Field Sales Strategy and Contracts, asserts that the contract will cover its attributable costs, make a positive contribution to covering institutional costs, and increase contribution toward the requisite 5.5 percent of the Postal Service’s total institutional costs. *Id.* Attachment D at 1. Mr. Nicoski contends that there will be no issue of market dominant products subsidizing competitive products as a result of this contract. *Id.*

*Related contract.* The Postal Service included a redacted version of the

related contract with the Request. *Id.* Attachment B. The Postal Service will notify the customer of the effective date within 15 business days of receiving the signed contract from the customer. *Id.* at 2. The contract will expire 1 year from the effective date unless, among other things, either party terminates the agreement upon 30 days’ written notice to the other party. *Id.* at 4. The Postal Service represents that the contract is consistent with 39 U.S.C. 3633(a). *Id.* Attachment D.

The Postal Service filed much of the supporting materials, including the related contract, under seal. *Id.* Attachment F. It maintains that the redacted portions of the contract, customer-identifying information, and related financial information, should remain confidential. *Id.* at 2–3. This information includes the price structure, underlying costs and assumptions, pricing formulas, information relevant to the customer’s mailing profile, and cost coverage projections. *Id.* The Postal Service asks the Commission to protect customer-identifying information from public disclosure indefinitely. *Id.* at 7.

## II. Notice of Filings

The Commission establishes Docket Nos. MC2012–3 and CP2012–7 to consider the Request pertaining to the proposed Priority Mail Contract 37 product and the related contract, respectively.

Interested persons may submit comments on whether the Postal Service’s filings in the captioned dockets are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642, 39 CFR 3015.5, and 39 CFR part 3020, subpart B. Comments are due no later than January 6, 2012. The public portions of these filings can be accessed via the Commission’s Web site (<http://www.prc.gov>).

The Commission appoints Natalie Rea Ward to serve as Public Representative in these dockets.

## III. Ordering Paragraphs

*It is Ordered:*

1. The Commission establishes Docket Nos. MC2012–3 and CP2012–7 to consider the matters raised in each docket.

2. Pursuant to 39 U.S.C. 505, Natalie Rea Ward is appointed to serve as officer of the Commission (Public Representative) to represent the interests of the general public in these proceedings.

3. Comments by interested persons in these proceedings are due no later than January 6, 2012.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.  
**Shoshana M. Grove,**  
*Secretary.*

[FR Doc. 2011–33681 Filed 1–3–12; 8:45 am]  
**BILLING CODE 7710–FW–P**

## POSTAL REGULATORY COMMISSION

[Docket Nos. MC2012–4 and CP2012–8;  
Order No. 1073]

### New Postal Product

**AGENCY:** Postal Regulatory Commission.  
**ACTION:** Notice.

**SUMMARY:** The Commission is noticing a recently-filed Postal Service request to add a Global Expedited Package Services contract to the competitive product list. This notice addresses procedural steps associated with the filing.

**DATES:** *Comments are due:* January 6, 2012.

**ADDRESSES:** Submit comments electronically by accessing the “Filing Online” link in the banner at the top of the Commission’s Web site (<http://www.prc.gov>) or by directly accessing the Commission’s Filing Online system at <https://www.prc.gov/prc-pages/filing-online/login.aspx>. Commenters who cannot submit their views electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section as the source for case-related information for advice on alternatives to electronic filing.

**FOR FURTHER INFORMATION CONTACT:** Stephen L. Sharfman, General Counsel, at (202) 789–6820 (case-related information) or [DocketAdmins@prc.gov](mailto:DocketAdmins@prc.gov) (electronic filing assistance).

### SUPPLEMENTARY INFORMATION:

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### I. Introduction

In accordance with 39 U.S.C. 3642 and 39 CFR 3020.30 *et seq.*, and Order No. 630, the Postal Service filed a formal request and associated supporting information to add Global Expedited Package Services–Non-Published Rates 3 (GEPS–NPR 3) to the competitive product list.<sup>1</sup> The Postal

<sup>1</sup> Request of the United States Postal Service to Add Global Expedited Package Services–Non-Published Rates 3 (GEPS–NPR 3) to the Competitive Products List and Notice of Filing GEPS–NPR 3

Product List and Notice of Filing (Under Seal) of Contract and Supporting Data, December 20, 2011 (Request).

<sup>2</sup> Decision of the Governors of the United States Postal Service on Establishment of Rates and Classes Not of General Applicability for Priority Mail Contract Group, Docket No. MC2009–25, issued April 27, 2009, at 1 (Governors’ Decision No. 09–6).

Service states that the addition is necessary due to changes in the non-discounted published postage for Express Mail International (EMI), Priority Mail International (PMI), and Global Express Guaranteed (GXG), as well as a new GEPS-NPR 3 model contract and accompanying financial model that differ from the GEPS-NPR 2 model contract and financial model. Request at 2-3. The Request has been assigned Docket No. MC2012-4.

The Postal Service contemporaneously filed a redacted version of the GEPS-NPR 3 model contract related to the proposed new product under 39 U.S.C. 3632(b)(3) and 39 CFR 3015.5. *Id.* Attachment B. The instant contract has been assigned Docket No. CP2012-8.

*Request.* To support its Request, the Postal Service filed six attachments as follows:

- Attachment 1—an application for non-public treatment of materials filed under seal;
- Attachment 2A—a redacted version of Governors' Decision No. 11-6;
- Attachment 2B—a revised version of MCS 2510.8 GEPS-NPR;
- Attachment 2C—a redacted version of Management's Analysis of the Prices and Methodology for Determining Prices For Negotiated Service Agreements Under Global Expedited Package Services—Non-Published Rates 3;
- Attachment 2D—a list of Maximum and Minimum Prices for EMI, PMI, and GXG under GEPS-NPR 3 Contracts;
- Attachment 2E—a certified statement concerning prices for applicable negotiated service agreements under GEPS-NPR 3 rates, as required by 39 CFR 3015(c)(2);
- Attachment 3—a Statement of Supporting Justification similar to the Statement of Supporting Justification used to support the classification of GEPS-NPR 1, and as required by 39 CFR 3020.32;
- Attachment 4—a redacted version of the GEPS-NPR 3 model contract.

In the Statement of Supporting Justification, Frank Cebello, Executive Director, Global Business Management, asserts that the product is designed to increase the efficiency of the Postal Service's process, as well as enhance its ability to compete in the marketplace. *Id.*, Attachment 3 at 1. Mr. Cebello states that the product is designed to enable the Postal Service's Global Business sales force to rapidly establish, based on various factors, whether a GEPS-type agreement will be profitable enough to

justify establishing an incentive-based mailing plan with the customer for EMI, PMI, and GXG if the customer uses Global Shipping Software. *Id.*, Attachment 3 at 2. In order to accomplish this, the product revises the product designs for GEPS-NPR 1 and GEPS-NPR 2 to include actual rates that will cover their costs, and will eliminate the need for each customer agreement to be added to the competitive products list individually. *Id.* Attachment 3 at 2, 5. Mr. Cebello contends that the product is not subsidized by market dominant products, it covers costs attributable to it, and it does not cause competitive products as a whole to fail to make the appropriate contribution to institutional costs. *Id.* The Postal Service asserts that the model contract is supported by Governors' Decision No. 11-6, which authorizes management to prepare any necessary product description of non-published competitive services, including text for inclusion in the MCS, and to present the matter to the Commission for review. *Id.* at 3.

*Related contract.* The Postal Service included a redacted version of the related model contract with the Request. *Id.* Attachment 4. The Postal Service will notify the customer of the effective date no later than 30 days after receiving the signed agreement from the mailer. *Id.*, Attachment 4 at 6. The contract will expire 1 year from the effective date unless terminated sooner. *Id.* The Postal Service represents that the contract is consistent with 39 U.S.C. 3633(a). *Id.* Attachment 4.

The Postal Service filed much of the supporting materials, including the related model contract, under seal. *Id.* Attachment 1. It maintains that the redacted portions of the materials should remain confidential as sensitive business information. *Id.* at 4. This information includes sensitive commercial information concerning the incentive discounts and their formulation, applicable cost-coverage, non-published rates, as well as some customer-identifying information. *Id.* The Postal Service asks the Commission to protect customer-identifying information from public disclosure for ten years after the date of filing with the Commission, unless an order is entered to extend the duration of that status. *Id.* at 9.

## II. Notice of Filings

The Commission establishes Docket Nos. MC2012-4 and CP2012-8 to consider the Request pertaining to the proposed Priority Mail Contract 37 product and the related model contract, respectively.

Interested persons may submit comments on whether the Postal Service's filings in the captioned dockets are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642, 39 CFR 3015.5, and 39 CFR part 3020, subpart B. Comments are due no later than January 6, 2012. The public portions of these filings can be accessed via the Commission's Web site (<http://www.prc.gov>).

The Commission appoints Natalie Rea Ward to serve as Public Representative in these dockets.

## III. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket Nos. MC2012-4 and CP2012-8 to consider the matters raised in each docket.

2. Pursuant to 39 U.S.C. 505, Natalie Rea Ward is appointed to serve as officer of the Commission (Public Representative) to represent the interests of the general public in these proceedings.

3. Comments by interested persons in these proceedings are due no later than January 6, 2012.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission,

**Shoshana M. Grove,**  
*Secretary.*

[FR Doc. 2011-33712 Filed 1-3-12; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-66052; File No. SR-CBOE-2011-123]

### Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing of a Proposed Rule Change Related to FLEX Options

December 23, 2011.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 20, 2011, the Chicago Board Options Exchange, Incorporated ("Exchange" or "CBOE") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit

Model Contract and Application for Non-Public Treatment of Materials Filed Under Seal, December 20, 2011 (Request).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.