

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

REPOSITIONABLE NOTES MARKET TEST

Docket No. MC2004-5

UNITED STATES POSTAL SERVICE MOTION
FOR ESTABLISHMENT OF SETTLEMENT PROCEDURES
(July 16, 2004)

The United States Postal Service hereby requests that the Commission establish settlement procedures for this proceeding. The Postal Service is proposing a one-year market test of Repositionable Notes (RPNs) on First-Class Mail, Standard Mail, and Periodicals. The proposed classification is simple and of a limited applicability and duration. No change in current rates is proposed. RPNs simply constitute an additional option available at mailers' discretion.

Testimony supporting the market test request is straightforward. Witness Holland (USPS-T-1) describes the evolution and operational testing of the product and mailer reaction to it. Witness Kaneer explains the rationale for the two prices proposed, one for usage of RPNs on First-Class Mail and one for Standard Mail and Periodicals.

The Postal Service accordingly asks that the Commission establish a date for a conference in furtherance of possible settlement of this docket. It would be beneficial for the settlement conferences to occur in advance of the prehearing conference.¹ For

¹ In the event some intervenor(s) should enter an appearance subsequent to the conference, Postal Service counsel would contact them directly and explain what had occurred.

the convenience of all concerned, the Postal Service also hereby requests permission to convene and conduct the conference in the Commission's hearing room.

Rule 162 is structured to allow the Commission to issue a recommended decision within 90 days, consistent with due process. A settlement could facilitate the availability of RPNs during the peak mailing season.

The Postal Service believes that the benefits, simplicity, minor financial impact, and limited duration of the market test commend a settlement. The minimal changes embodied in the Postal Service Request should lend themselves to expeditious and uncomplicated review. In light of the foregoing, and of the flexibility envisioned by the market test rules, the Postal Service requests the Commission's assistance in establishing settlement procedures for this proceeding.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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Scott L. Reiter

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

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