

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

Postal Rate Commission
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RATE AND SERVICE CHANGES TO IMPLEMENT
FUNCTIONALLY EQUIVALENT NEGOTIATED
SERVICE AGREEMENT WITH BANK ONE
CORPORATION

Docket No. MC2004-3

REPORT OF SETTLEMENT COORDINATOR
(September 2, 2004)

In the past two weeks, the Postal Service, as settlement coordinator, and Bank One have had extensive discussions with the Office of Consumer Advocate regarding factual issues that OCA sought to have clarified in the record with the goal of obviating the need for a hearing. In addition, the Postal Service and Bank One yesterday filed numerous interrogatory responses, many of them revisions or supplements to earlier responses, in an effort to address the OCA's concerns. In the wake of these efforts, the Office of the Consumer Advocate today filed a Statement Concerning the Need for A Hearing, indicating that OCA no longer requests a hearing.

The Postal Service, Bank One and OCA have also pursued the possibility of a complete or partial settlement on the merits, and settlement discussions are continuing. Should these efforts achieve success, the Settlement Coordinator will immediately file a Settlement Report. If not, the Settlement Coordinator will

file the next report on September 14, 2004.

Respectfully submitted,

U.S. POSTAL SERVICE

By its attorneys:

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Nan K. McKenzie

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.

Nan K. McKenzie

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