

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Dan G. Blair, Chairman;  
Dawn A. Tisdale, Vice Chairman;  
Mark Acton; Tony Hammond;  
and Ruth Y. Goldway

Repositionable Notes  
Minor Classification Change

Docket No. MC2007-2

FURTHER ORDER ON POSTAL SERVICE  
REQUEST CONCERNING REPOSITIONABLE NOTES

(Issued May 11, 2007)

I. DOCKET STATUS

Pursuant to deadlines for several preliminary procedural steps, two participants — David B. Popkin and the National Newspaper Association (NNA) — have intervened and NNA has filed, and withdrawn, an opposition to settlement.<sup>1</sup> No participant has challenged the Service's conditional motion for waiver.

Based on these developments and the need for prompt decisions on expedited treatment and authorization of settlement or suspension of this docket, the Commission has made the following determinations. First, it finds that the Service has made a convincing showing that its Request satisfies the criteria for consideration under Commission rules for minor classification changes and for the expedited treatment

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<sup>1</sup> Order No. 9 (April 5, 2007) provided public notice of the Service's Request and established the referenced deadlines. See David B. Popkin Letter to Commission Secretary Williams, April 2, 2007 (limited participation), and Notice of Intervention of the National Newspaper Association, April 19, 2007 (full participation). See *also* Comments of the National Newspaper Association on Various Procedural Matters, April 19, 2007, and Notice by the National Newspaper Association of Withdrawal of Objection to Suspension of Docket, May 2, 2007.

those rules offer.<sup>2</sup> The requested change is minor in character, given the description in Postal Service witness Parr's testimony (USPS-T-1), maintenance of the status quo in all material respects, and the appropriately limited effects on volume and revenue.

Second, the Commission concludes that authorization of settlement proceedings is preferable to suspension. The straightforward nature of the requested extension, the limited number of participants, and the lack of opposition to settlement should allow the Service to present the Commission with a settlement agreement relatively quickly. This would provide certainty as to the status of RPN service and rates during the transition to the new ratemaking system.

## II. FURTHER PROCEDURAL STEPS

At this point, there appears to be no need for a prehearing conference prior to the commencement of settlement proceedings, but the Commission is willing to schedule one upon a showing of good cause. To foster expedition, the Commission authorizes Postal Service counsel to act as settlement coordinator in this case and directs counsel to file a report with the Commission no later than Friday, May 18, 2007 on two matters: the Service's assessment of the potential for settlement of this case and the progress of settlement negotiations. The Service shall file weekly status reports thereafter, up to the filing of a settlement agreement or notice that settlement does not appear likely. In the event this case proceeds to settlement, the Commission will issue an order establishing procedures for entering evidentiary material, including witness Parr's testimony, into the record to ensure prompt issuance of a Commission decision.

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<sup>2</sup> 39 CFR §§ 3001.69–69c. These rules provide for issuance of the Commission's Decision within 90 days if no hearing is held on the filing of the Service's Request.

*It is ordered:*

1. The Commission finds that the Service's Docket No. MC2007-2 Request satisfies the criteria attendant to minor classification cases accorded expedited treatment under Commission rules 69–69c.
2. The Commission authorizes settlement discussions in this proceeding and appoints Postal Service counsel as settlement coordinator.
3. Postal Service counsel is to address, in its capacity as settlement coordinator, the potential for settlement, progress toward settlement, and any request for a prehearing conference or other Commission action to facilitate settlement negotiations in an initial report filed no later than May 18, 2007.
4. Postal Service counsel is directed to file weekly reports following its initial report, through the filing of a settlement agreement or the filing of a notice indicating that settlement no longer appears to be a viable avenue for resolution of the instant Request.

By the Commission.

Steven W. Williams  
Secretary