

ORIGINAL

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

004732
RECEIVED
JUL 15 4 12 PM '96
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

SPECIAL SERVICES FEES
AND CLASSIFICATIONS

Docket No. MC96-3

MAJOR MAILERS ASSOCIATION'S MOTION
REQUESTING PERMISSION TO FILE A
NOTICE OF INTERVENTION OUT OF TIME

Major Mailers Association requests leave to file its Notice of Intervention after the July 9 filing date specified in Order No. 1115. In support of its request, MMA states the following reasons.

1. In Order No. 1115, the Commission stated in a footnote that the Service did not use the Commission-approved method for "attributing coverage-related delivery costs according to single subclass stop analysis." This was not surprising since the Service continues to dispute this Commission-approved costing methodology, and the Commission allowed the use of the Service's approach (with misgivings) in the 1995 Classification Case (MC95-1 Op. at IV-60). MMA therefore did not propose to intervene in Docket No. MC96-3 in response to Order No. 1115.

2. In a later Order, however, the Commission announced that Docket No. MC96-2 does not appear to present "[t]he unique circumstances present in MC95-1" that allowed the Service to escape using the Commission-approved methodology (Order No. 1120, p. 2). In addition, the Commission ordered the Service to submit

a revision of its cost exhibit in a format that reflects the Commission-approved methodology.

3. The Commission's latest action reopens a battle in which MMA has been participating since April 1994. Then, in Docket No. R94-1, MMA filed interrogatories which--like Order No. 1120 in the current proceeding--asked the Service to present information showing its costs using the Commission-approved methodology for attributing city carrier costs. In P.O. Ruling No. R94-1/8 the Presiding Officer ordered the Service to answer MMA's interrogatories requesting this information. In later rulings, the Presiding Office reaffirmed the importance of MMA's request, although eventually this information was provided by the Commission itself instead of by the Postal Service (P.O. Ruling R94-1/38). The Commission's Order No. 1120 in Docket No. MC96-1 provides MMA with a special reason to participate in Docket No. MC96-3.

3. In addition, the Commission's action suggests that Docket No. MC96-3 may be the forum for establishing an additional Commission precedent regarding the principle of attributing city carrier access costs. In any future general rate case, this principle can account for the attribution of hundreds of millions of dollars of costs to First-Class Mail. The rates of MMA member companies will be greatly affected by any precedents that are established in this proceeding.

4. Following the issuance of Order No. 1120, MMA's postal counsel advised MMA's board of directors about the Commission's