

ORIGINAL

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

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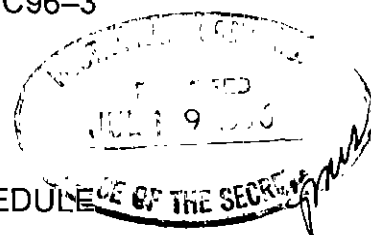
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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

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SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

NOTICE OF THE UNITED STATES POSTAL SERVICE
REGARDING PARTIAL SETTLEMENT AND
COMMENTS CONCERNING PROPOSED PROCEDURAL SCHEDULE
(July 19, 1996)



The Postal Service provides an update on partial settlement and offers its comments on the proposed procedural schedule in this docket, issued July 12, 1996.

Settlement. At the prehearing conference on July 12, 1996, the Presiding Officer raised the possibility of partial settlement of issues on proposals for return receipt, insurance, registered mail, special delivery, and stamped cards, and suggested that counsel for the Postal Service consult with other parties to determine the feasibility of settlement to facilitate prompt recommendations on those proposals. During the prehearing conference, counsel for the American Postal Workers Union expressed opposition to a partial settlement encompassing the special delivery proposal, and by notice filed on July 16, the American Bankers Association expressed interest in pursuing the return receipt proposal.

The Postal Service welcomes settlement of all or any subset of the proposals forming the Postal Service's Request, and would be pleased to work with the participants to achieve this result. Partial settlement of the issues in this proceeding is desirable and in the public interest, as it would both promote the Commission's interests in expedition and administrative economy, and serve every participants' common interest in reducing the costs of litigation in this proceeding.

To date, representatives for the participants with whom the undersigned has

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consulted orally have advised that they will be unable to express their position on a proposed settlement until the conclusion of discovery on the Postal Service. The Postal Service is hopeful that at that time, the prospects for a partial settlement will be favorable. To gauge interest in partial settlement, the Postal Service has this day sent a letter to all participants asking that they advise the Postal Service by August 27 of their interest in a partial settlement. The Postal Service plans to advise the Commission of the results of its communications with the other participants shortly after the conclusion of discovery on the Postal Service, during August 1996.

Proposed Procedural Schedule. Notwithstanding whether participants express interest in partial settlement, it appears that the procedural schedule in this docket could be amended to facilitate bifurcated treatment of issues if participants do not intend to submit evidence on a subset of the discrete proposals forming the Postal Service's Request. Each special service proposal is designed to stand on its own, and thus is capable of being analyzed and briefed separately. The procedural schedule could accordingly be modified so that parties would be required to identify on or before August 27, 1996 the special service proposals (*i.e.*, post office boxes, registry, insurance, certified mail, return receipt, stamped cards, and special delivery) upon which they intend to submit evidence in furtherance of a direct case or in rebuttal to the Postal Service during the intervenor phase of this proceeding. Proposals upon which the participants intend to submit evidence would continue to be subject to the existing procedural schedule; however, if there are proposals upon which no participant expresses interest in presenting evidence, then the Postal Service proposes that any such proposals be subject to an expedited briefing schedule with the briefing period beginning in September or October after hearings on the Postal Service's direct case are concluded.

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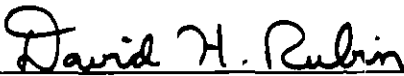
As a separate matter, the Postal Service requests that the procedural schedule be shortened. Activity in this proceeding has been relatively light, and there are many fewer issues than in an omnibus rate or classification proceeding. The Postal Service submits that, given the level of activity it expects in this proceeding, expedited consideration of the Postal Service's Request could be accommodated, with briefing completed before the end of the calendar year. For example, the schedule could be shortened by reducing discovery periods upon the Postal Service¹ and intervenor direct cases and the periods following discovery and before hearings.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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July 19, 1996

¹ Cf. P.O. Ruling MC91-3/2 (rejecting request for extension of 51 day discovery period due to the familiarity and limited number of issues in the proceeding). In the instant proceeding, the proposed period for discovery on the Postal Service is 66 days, with answers due in 14 days rather than 20 days in Docket No. MC91-3. Indeed, the discovery period on the Postal Service proposed for this proceeding exceeds that in Docket No. MC95-1 by five days. An earlier end to discovery would also facilitate intervenor feedback on settlement.

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.

A handwritten signature in cursive script that reads "David H. Rubin". The signature is written in dark ink and is positioned above a horizontal line.

David H. Rubin

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