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

005065

SPECIAL SERVICES REFORM, 1996

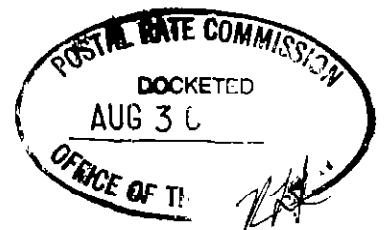
Docket No. MC96-3

STATUS REPORT OF THE UNITED STATES POSTAL SERVICE
REGARDING PARTIAL SETTLEMENT AND EXPEDITED BRIEFING
(August 30, 1996)

By Notice filed July 19, 1996, the Postal Service advised that, in accordance with the Presiding Officer's suggestion at the July 12, 1996 prehearing conference, it had sent a letter to all participants asking that they advise the Postal Service by August 27 of their interest in or opposition to partial settlement of issues in this docket. In that same Notice, the Postal Service also expressed its intention 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. The Postal Service received three responses to its letters soliciting interest in partial settlement. The results of the Postal Service's survey of the participants are as follows:

- One participant expressed no opposition to insurance, registry, certified mail (as to classification issues), and return receipt (as to classification issues), and indicated it may reconsider the feasibility of settlement on special delivery.
- One participant expressed opposition to partial settlement on insurance, registry, stamped cards, special delivery, certified mail, and return receipt.
- One participant expressed opposition to partial settlement on stamped cards, certified mail, and return receipt, but was not opposed to partial settlement on insurance, registry, and special delivery.

On the basis of these responses, and activity in this proceeding to date, the Postal Service cannot determine if settlement can produce an expedited conclusion on



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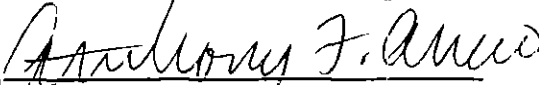
selected proposals until it is known which proposals will be the subject of participant testimony in this proceeding. There is some hope that the insurance, registry, special delivery, and possibly classification proposals related to return receipts may be candidates for either stipulated settlement or expedited briefing. The Postal Service is eager to receive the Commission's recommendations on these and all other proposals as early as possible. Accordingly, once the participants' cases-in-chief are filed, the Postal Service will re-evaluate the prospects for settlement or move for an expedited briefing schedule on proposals upon which there appears to be no or minimal opposition.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

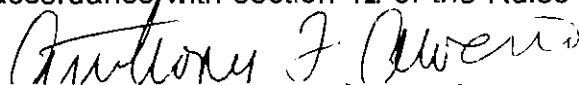
By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


Anthony F. Alverno

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.


Anthony F. Alverno

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August 30, 1996