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ORDER NO. 1275

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

Before Commissioners:

Edward J. Gleiman, Chairman;
George A. Omas, Vice Chairman;
Dana B. Covington, Sr., Ruth Y. Goldway;
and W.H. "Trey" LeBlanc III

Complaint on Charges for the
Bulk Parcel Return Service

Docket No. C99-4

ORDER ADMITTING MATERIALS INTO EVIDENCE
AND ON FURTHER PROCEDURES

(Issued December 22, 1999)

On November 18, 1999, the Commission issued Order No. 1271, which clarified the procedural status of Docket No. C99-4. In particular, the Order commented on the Continuity Shippers Association's (CSA) request that the Commission take official notice or admit into evidence certain materials, directed the Postal Service to identify a sponsor for the Bulk Parcel Return Service cost study, and requested that parties interested in filing direct testimony or conducting oral cross-examination or written discovery on any relevant matter in this proceeding notify the Commission.

Several parties responded to Order No. 1271. On December 2, 1999, the Office of the Consumer Advocate (OCA) submitted notification of its intent to conduct written discovery, and further requested to move into the record certain evidence from past related proceedings (including relevant testimony from three Postal Service witnesses). On December 2, 1999, CSA filed a motion for the Commission to take official notice of the respective cost coverages for Standard A Regular mail and Bound Printed Matter determined in Docket No. R97-1. CSA later submitted a notification of its intent to file

direct evidence on the issues of costs and cost coverage, but to forego oral cross-examination or written discovery at this juncture.

The Postal Service also responded to Order No. 1271 on December 2, 1999. It provided changes to the BPRS cost study necessary to reflect Commission mail processing cost methodology, and errata to the study identified during earlier settlement talks. The Service suggests that as the actual BPRS cost study has been on file with the Commission for over a year in connection with Docket No. MC97-4, there is no need for the study to be refiled, as per Commission Rule 31. Moreover, no witness to sponsor the study was identified. It is the Postal Service's position that, based upon information gleaned from renewed settlement efforts, no party intends to request oral cross-examination, and only one party is likely to wish to conduct written discovery. Should these anticipated circumstances change, the Service will make a sponsoring witness available.

Under Rule 31(c) of the Commission's Rules of Practice and Procedure, reports or documents already on file with the Commission "need not be produced or marked for identification," but may be offered in evidence simply by specifying the particular report or document. Accordingly, the Commission admits into evidence the Postal Service's BPRS cost study, filed on October 30, 1998, as modified by study errata and changes reflecting Commission methodology, filed on December 2, 1999. The Commission also now takes official notice of, and admits into evidence, the following materials: (1) the Docket No. R97-1 cost coverages for Standard A Regular mail and Bound Printed Matter of 135 and 136 percent, respectively, found at pages 435 and 500-01 of that decision; (2) Postal Service witness Pham's testimony and attached exhibits on BPRS attributable cost estimates from Docket No. MC97-4;¹ (3) Postal Service witness Eggleston's Docket No. MC99-4 testimony on the potential for additional costs

¹ Docket No. MC97-4 addressed the Bulk Parcel Return Service and Shipper-Paid Forwarding Classification and Fees.

associated with classification revision;² (4) Postal Service witness Adra's Docket No. MC97-4 testimony and attached exhibits addressing the rationale and benefits underlying Service classification and pricing for BPRS; and (5) Postal Service witness Adra's Docket No. MC99-4 testimony on benefits associated with classification revision. The Commission further provides that discovery on CSA's direct evidence (filed on December 17, 1999) may be conducted until January 5, 2000. By that date, parties are directed to inform the Commission if additional time for discovery is needed, and if cross-examination of CSA witness Buc is desired.

It is ordered:

1. The following materials are admitted as evidence into the Docket No. C99-4 record:

- (a) the Postal Service BPRS cost study (filed on October 30, 1998) and the study errata and cost study changes reflecting Commission methodology (filed on December 2, 1999),

- (b) the cost coverages for Standard A Regular mail and Bound Printed Matter of 135 and 136 percent, respectively, PRC Op. R97-1 at 435 and 500-01,

- (c) testimony and attached exhibits on BPRS attributable cost estimates by Postal Service witness Pham (USPS-T-1) in Docket No. MC97-4,

² Docket No. MC99-4 concerns the Bulk Parcel Return Service Expedited Minor Classification Case.

(d) testimony and the attached exhibit addressing the rationale and benefits underlying Service classification and pricing for BPRS by Postal Service witness Adra (USPS-T-2) in Docket No. MC97-4,

(e) testimony on the potential for additional costs associated with classification revision by Postal Service witness Eggleston (USPS-T-2) in Docket No. MC99-4, and

(f) testimony on benefits associated with classification revision by Postal Service witness Adra (USPS-T-1) in Docket No. MC99-4.

2. Discovery on CSA's direct evidence may be conducted through January 5, 2000. By that date, parties shall notify the Commission if additional time for discovery is needed, and if cross-examination of CSA witness Buc is desired.

By the Commission.

(S E A L)



Cyril J. Pittack
Acting Secretary