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POSTAL RATE COMMISSION
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POSTAL RATE AND FEE CHANGES, 2000

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: Docket No. R2000-1
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**COMMENTS OF AMERICAN BANKERS ASSOCIATION AND
NATIONAL ASSOCIATION OF PRESORT MAILERS
IN SUPPORT OF MAJOR MAILERS ASSOCIATION AND OFFICE OF THE
CONSUMER ADVOCATE COMMENTS ON NOTICE OF INQUIRY NO. 3**

(July 19, 2000)

On July 17, 2000 both Major Mailers Association ("MMA") and the Office of the Consumer Advocate ("OCA") filed comments on Notice of Inquiry No. 3. In those comments both the OCA and MMA requested the Commission to reject the USPS' proposed change in volume forecasting for First Class additional ounce pieces, which change appeared in revisions to workpapers of Postal Service Witness Fronk filed April 17, 2000, and results in a reduction in net revenue of single piece First Class Mail of \$172.2 Million.

It would appear that the above-referenced comments of MMA and OCA effectively constitute "motions" to reject the USPS filings incorporating the changed volume forecasting for First Class additional ounce pieces and the resulting \$172.2 Million reduction in net revenue of single piece First Class Mail. Accordingly, ABA & NAPM hereby file these comments in support of such "motions".

As postal rate proceedings become increasingly complex, it becomes more and more difficult for the Participants to evaluate and offer meaningful comment upon the filings of the parties in general, and the USPS in particular. This problem was compounded in this case for ABA & NAPM by the significant new costing procedures utilized by the USPS in this case, particularly those of USPS Witness Miller (USPS-T24). In addition, the ability of the USPS to file a substantially revised case in response to Commission Order No. 1294 has

made it extremely difficult for ABA & NAPM to fully evaluate and comment upon the USPS case in R2000-1. Postal rate proceedings are difficult and complex enough, without requiring the parties and the Commission to have to continually evaluate a moving target. The latest glaring example of this problem is the April 17, 2000 filing of USPS Witness Fronk in which the USPS makes drastic changes to its prior volume projections for single piece First Class additional ounces, resulting in a \$172.2 Million reduction in net revenue for single piece First Class Mail.

For the reasons explained in the comments filed by OCA and MMA on July 17, 2000 concerning NOI No. 3, the USPS proposed change in volume forecasting for First Class Mail additional ounce pieces, and the resulting \$172.2 million reduction in net revenue of single piece First Class Mail, should be rejected by the Commission. We also ask the Commission to make clear that any of the filings made by the USPS in response to Commission Order No. 1294 may not be based upon such revised USPS volume projections for single piece First Class Mail additional ounces and the resulting \$172.2 Million reduction in net revenue of single piece First Class Mail.

Respectfully submitted,

AMERICAN BANKERS ASSOCIATION
NATIONAL ASSOCIATION OF PRESORT MAILERS

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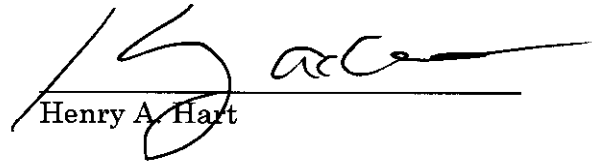
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Date: July 19, 2000
Washington, D.C.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the instant document on all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.


Henry A. Hart

July 19, 2000