

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

: Docket No. R2001-1

COMMENTS OF AMERICAN BANKERS ASSOCIATION AND NATIONAL
ASSOCIATION OF PRESORT MAILERS UPON PROPOSED PROCEDURAL SCHEDULE

(October 24, 2001)

Pursuant to the Presiding Officer's Ruling No. R2001-1/1, the American Bankers Association ("ABA") and the National Association of Presort Mailers ("NAPM") hereby file these comments upon the proposed procedural schedule for this proceeding.

ABA & NAPM urge the Commission to assure that if any revised Postal Service filing is made in this case as a result of the disruption of Postal Service business operations by the recent terrorist events, the Procedural Schedule deadlines for completion of discovery on the Postal Services' direct case and for filing of the Direct Testimony of Intervenors, is pushed back beyond the filing of such revised Postal Service case.

A senior PRC official was reported in the October 20, 2001 Washington Post to have concluded that the June economic forecast upon which the USPS based its initial filing in this proceeding was now obsolete. In the October 15, 2001 issue of the "Business Mailers Review," PMG Potter is reported to have told the Postal Board of Governors that for the three weeks following the September 11 attacks, Postal Service revenue was down \$400-500 million below plan and below the same period of last year, and that over the same period mail volume could be down as much as one billion pieces.

ABA & NAPM do not in any way intend to criticize the Postal Service for these reported difficulties. Indeed, we are extremely sympathetic to the plight of the Postal Service and its

employees who continue their admirable efforts to maintain their operations at a high level, notwithstanding the inordinate burden which the terrorist events appear to be placing upon Postal Service operations.

We point out these potential changes in Postal Service financial projections solely for the purpose of encouraging the Commission to avoid the significant problems which occurred in the last case when by Order 1294, the Commission required the Postal Service at a very late date in the proceedings to significantly revise its original case by incorporating updated financial statistics and projections based thereon. The resulting updated Postal Service filings imposed significant hardship, not only upon the Postal Service, but also upon the Intervenors who, having gone through a full discovery process on the Postal Service's case, and having prepared Direct Testimony, were required to conduct additional discovery on an expedited basis upon the revised Postal Service case, and to then significantly revise their own Direct Testimony. This resulted in increased cost burdens on Intervenors, and limited their ability to critically evaluate and comment upon the Postal Service's case. While we understand and appreciate the Commission's desire to have as current a record as is feasible, we respectfully submit that if a substantially revised record is brought into the case at too late a date, any benefit to the record from the updated data is outweighed by the loss of due process and opportunity for meaningful evaluation by the Intervenors of the revised Postal Service case.

We are not urging the Postal Service or the Commission to cause the filing of a revised Postal Service case. Rather, we are simply asking that the Commission determine as soon as possible whether the Postal Service will be making a request to revise its filing as a result of the recent terrorist attacks, or whether the Commission itself will request the Postal Service to prepare such a revised filing. If a determination is made that such a revised Postal Service filing

will be made, we ask the Commission to push back the Procedural Schedule deadlines for completion of discovery upon the Postal Service and filing of Direct Testimony of Intervenors, so as to allow those processees to have the benefit of a considered review and analysis of any revised Postal Service filing.

Respectfully submitted,

AMERICAN BANKERS ASSOCIATION
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October 24, 2001
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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.


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