

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

RIDE-ALONG EXPERIMENT EXTENSION

Docket No. MC2001-3

**REPORT OF UNITED STATES POSTAL SERVICE
AS SETTLEMENT COORDINATOR**

The United States Postal Service, in its role as settlement coordinator in accordance with Order No. 1326, hereby provides this report to the Commission on the status of settlement discussions. The Postal Service is pleased to report that as a result of these discussions, as of October 24, three of the four intervenors agreed to sign the Stipulation and Agreement. The fourth party indicated that he does not oppose settlement. The Office of the Consumer Advocate also indicated that it will sign.

Subsequent to this successful outcome of discussions with the participants, at the prehearing conference in the omnibus rate case, Docket No. R2001-1, on October 25, the Vice Chairman asked the participants to consider scenarios for settlement of that case, which may involve phasing in rate changes. Because it is no longer clear, as the proposed DMCS language assumed, that a recommended decision on the proposal to make Ride-Along a permanent classification would necessarily be simultaneous with the first recommended changes in Periodicals rates resulting from the rate case, the Postal Service believes that changes may be required in the wording in its proposed DMCS language governing the length of the extension. We will explore this matter with

the participants in the instant docket informally over the next week and notify the Commission as soon thereafter as possible of the further status of this matter.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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Attorney

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.

Scott L. Reiter

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