BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0111

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POSTAL RATE AND FEES CHANGES, 2001

Docket No. R2001-1

INITIAL BRIEF of

PARCEL SHIPPERS ASSOCIATION

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Counsel for Parcel Shippers Association

Dated: March 4, 2002

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PARCEL SHIPPERS ASSOCIATION

The Parcel Shippers Association ("PSA") is a signatory to the Stipulation and Agreement ("Settlement Agreement") submitted by the Postal Service in the above-captioned proceeding. We support the proposed rate and classification changes contained in the Settlement Agreement in their entirety.

In ordinary circumstances PSA, as well as other parties, would have taken issue with a number of the rate increases proposed for Package Services, Priority Mail and Bound Printed Matter, as well as the Standard Parcel Surcharge. Chairman Omas has shrewdly guided the parties to this statesmanlike conclusion of this proceeding. This is not the time for protracted litigation while the Postal Service's revenue position remains so precarious. The Settlement Agreement has been signed by 56 parties and opposed by only one. The signatories represent every major class, subclass and service. The Settlement properly protects the interests of all users.

The Postal Service is to be congratulated on being so quickly forthcoming in responding to issues raised by several parties and resolving those issues quickly. The Postal Service also showed flexibility in agreeing to an effective date for implementation of the rates and classifications embodied in the Settlement, as well as giving what assurances it could for some period of rate stability before the next general rate proceeding is commenced.

The evidence in the record, and the representations of the signatory parties, provide an adequate basis for the Commission to make its independent assessment that the rate and classification proposals set forth in the Agreement are supported by the record, are consistent with the Act, and should be recommended. For those reasons, we urge the Commission to recommend to the Governors the adoption of the rates and classifications set forth in the Settlement Agreement.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have this date served (6) copies of the foregoing document upon the United States Postal Service by hand and by First Class Mail upon all participants in this proceeding requesting such service in accordance with rule 12 of the Rules of Practice.

Dated: March 4, 2002

Timothy J. May