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PRESIDING OFFICER'S
RULING NO. C99-1/27

POSTAL SERVICE
OFFICE OF THE PRESIDENT

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

Complaint on Post E.C.S.

Docket No. C99-1

PRESIDING OFFICER'S RULING
CONCERNING STATUS OF COMPLAINT

(Issued September 5, 2002)

In Presiding Officer's Ruling No. C99-1/26, I granted Complainant's motion to suspend proceedings in this docket during the pendency of the omnibus rate proceeding, Docket No. R2001-1. I also stated that, following the conclusion of the rate case, I would direct United Parcel Service to estimate the time required to complete preparation of its direct case for submission in support of its Complaint.¹

Since I issued Ruling No. 26, there apparently has been a major change in circumstance regarding the Post E.C.S. service. On March 5, during the public portion of the monthly meeting of the Board of Governors, Chairman Rider announced that the Postal Service had determined, following an extensive review of its Internet-based services, to discontinue Post E.C.S. after a transition period that would minimize the inconvenience to current customers. Chairman Rider's statement was reported in Postal Service Press Release No. 02-016, a copy of which is attached to this ruling. It states, in pertinent part:

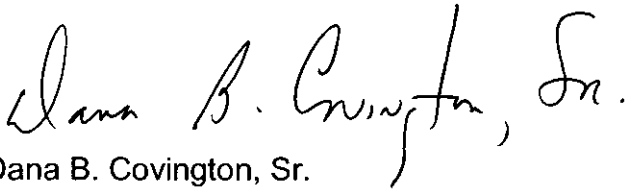
In other news, it was announced that after an extensive review of its Internet-based services, the Postal Service will discontinue its secure online messaging service, PosteCS. The Postal Service plans to continue its review of current eCommerce services since the Internet and eCommerce are important links to customers in today's technological marketplace. A transition plan has been put in place to minimize any customer inconvenience this decision may bring.

¹ Presiding Officer's Ruling No. C99-1/26, November 9, 2001.

Inasmuch as the Postal Service's provision of Post E.C.S. service is the sole subject of United Parcel Service's Complaint in this docket, curtailment of the service would appear to render the Complaint entirely moot. The material quoted above suggests that the Postal Service began a phase-out of Post E.C.S. service approximately six months ago. In light of these circumstances, I shall direct the Postal Service to submit a pleading declaring the status of its Post E.C.S. service offering no later than September 19, 2002. Complainant and other interested parties may file responsive pleadings one week later. Depending on the contents of the pleadings, I may certify the pending Complaint for summary disposition by the full Commission thereafter.

RULING

1. The United States Postal Service shall file a declaration describing the current status of Post E.C.S. service no later than the close of business on September 19, 2002.
2. Responses to the Postal Service's pleading are due on September 26, 2002.


Dana B. Covington, Sr.
Presiding Officer



Postal News

FOR IMMEDIATE RELEASE
March 5, 2002
Release No. 02-016

Postal Service Announces That Transformation Plan Will Be Submitted To Congress Next Month

WASHINGTON, D.C. - A blueprint document detailing the future vision of the Postal Service, known as the "transformation plan", will be submitted to Congress on April 4, 2002, announced Chairman, Board of Governors, Robert F. Rider at today's Board of Governors meeting. Rider said that the plan "will provide the framework for how the Postal Service of the future will be reformed and revitalized to meet the changing needs of our customers, the American people, over the next 10 to 20 years. It is clear to all of us that the time for debating the need for reform is past."

Congress and the General Accounting Office have requested that the Postal Service create a Comprehensive Transformation Plan outlining how the Service intends to manage in the wake of changing global markets, new technologies and the need to deliver mail to an ever-increasing number of addresses.

In other news, it was announced that after an extensive review of its Internet-based services, the Postal Service will discontinue its secure online messaging service, PosteCS. The Postal Service plans to continue its review of current eCommerce services since the Internet and eCommerce are important links to customers in today's technological marketplace. A transition plan has been put in place to minimize any customer inconvenience this decision may bring.

In other action, to continue to provide prompt and efficient mail service for the San Francisco Bay Area, the board approved funding to extend the lease of the Burlingame, CA, Peninsula Delivery Distribution Center for ten years. The 105,615 square foot facility houses automated and manual mail processing operations.

Finally, the board approved a borrowing resolution-in effect through September 5, 2002-that supports ongoing debt-management activities, provided that the total does not exceed the \$11.3 billion debt level set last year.

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