Postal Rate Commission Submitted 11/21/2002 3:36 pm Filing ID: 36011

ORDER NO. 1353

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

Before Commissioners:

George Omas, Chairman; Dana B. Covington, Sr., Vice Chairman; Ruth Y. Goldway; and Tony Hammond

NOTICE AND ORDER CONCERNING PETITION FOR REVIEW OF UNCLASSIFIED SERVICES

(Issued November 21, 2002)

On October 15, 2002, Consumer Action (CA), a non-profit membership-based organization based in San Francisco, California, filed a petition requesting the Commission to initiate proceedings concerning fourteen (14) services (or products) offered by the Postal Service to the public.¹ In support of its Petition, CA incorporates by reference a letter it co-authored with the Office of the Consumer Advocate (OCA) that provides the petitioner's legal argument and the substantive and procedural relief requested.²

In their joint letter, CA and OCA request the Commission to institute a proceeding:

1. to review and determine whether the enumerated services are subject to the Commission's rate and classification jurisdiction under §§ 3622 and 3623 of the Postal Reorganization Act; and

¹ Petition of Consumer Action Requesting that the Commission Institute Proceedings to (1) Review the Jurisdictional Status of Fourteen Specified Services and (2) Establish Rules to Require a Full Accounting of the Costs and Revenues of Non-Jurisdictional Services, October 15, 2002 (Petition).

 $^{^{2}}$ *Id.* at 3. The joint letter is attached to the Petition.

2. if some services are not subject to the Commission's jurisdiction, to establish new accounting and reporting rules to ensure a complete separation of "non-jurisdictional (domestic)" costs and revenues from those of jurisdictional services.³

During the Commission's consideration of the Petition, the Chairman received a letter from the Chairman of the Board of Governors noting, *inter alia*, that the Petition had been filed, that the Board viewed its assertions very seriously, and that the Postal Service currently is conducting an evaluation of what is characterized as its "non-postal service offerings."⁴ Chairman Rider expressed the hope that, prior to addressing the request for a formal proceeding, the Commission would afford the Postal Service an opportunity to comment on the issues and further that it first be able to complete its internal review.⁵ It is anticipated that the review will be completed by early January 2003.⁶

The Petition and all related correspondence are available on the Commission's website, <u>www.prc.gov</u>. On the Commission's homepage, this material can be accessed by clicking on "Contents" and then either on "Docketed Cases & Matters," or on "Pending Cases & Matters." It can be found under "Other Matters," where it is listed separately.

Taking into consideration both the representations in Chairman Rider's letter and the lack of any statutorily imposed deadlines, the Commission finds it appropriate to accede to the request to defer action on the Petition pending completion of the Postal Service's internal review. The brief deferral should not prejudice the petitioner.

³ See Joint Letter at 4; see also Petition at 1. The fourteen services identified are: Liberty Cash, Sure Money, Online Payment Services, including eBillPay, Pay @ Delivery, and USPS Send Money, ePayments, NetPost CardStore, NetPost Certified Mail, Electronic Postmark, Unisite Antenna Program, Returns @ Ease, Mall Package Shipment Program, First Class Phone Cards, and Retail Merchandise. CA and OCA also reserve the right to supplement the list should other such services come to light.

⁴ Letter to the Honorable George A. Omas from the Honorable Robert F. Rider, Chairman of the Board of Governors, November 14, 2002, at 1 (Rider Letter). This letter and Chairman Omas's reply are posted on the Commission's website.

⁵ Rider Letter at 2.

⁶ Ibid.

- 3 -

Moreover, the scope of the issues raised may be significantly clarified by the results of the Postal Service's review, which, it is indicated, will "bear substantially on the representations in the petition."⁷

In the interim, interested persons may review the Petition and advise the Commission on the most appropriate way to proceed. Comments are due by no later than January 30, 2003.

It is ordered:

- Notice is hereby given of the Petition of Consumer Action Requesting that the Commission Institute Proceedings to (1) Review the Jurisdictional Status of Fourteen Specified Services and (2) Establish Rules to Require a Full Accounting of the Costs and Revenues of Non-Jurisdictional Services, filed October 15, 2002.
- 2. Comments from interested persons concerning how the Commission should proceed with the Petition are due no later than January 30, 2003.
- 3. The Secretary shall arrange for publication of this Notice in the Federal Register.

By the Commission (SEAL)

Steven W. Williams Secretary

⁷ *Id.* at 1.