

ORDER NO. 1375

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

Before Commissioners:

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

Periodic Reporting

Docket No. RM2003-3

ORDER LENGTHENING THE TIME FOR ANSWERS TO  
THE POSTAL SERVICE MOTION TO FURTHER EXTEND

(Issued June 12, 2003)

On January 8, 2003, the Commission issued Order No. 1358 proposing to revise its periodic reporting rules. For a third time, the Postal Service has filed a motion requesting that the deadline for filing its comments on the merits of the proposed revisions be extended. It now asks that comments be deferred until late August or early September, after the President's Commission on the United States Postal Service has released its report.

The Postal Service argues that this is appropriate because the President's Commission is "exploring topics that either overlap or would have significant implications for some of the same considerations raised by the Postal Rate Commission's proposed amendments." It asserts that a discussion of the "hard questions presented in the rulemaking" would "lack an important context, if they are presented prior to knowledge of the President's Commission's recommendations." Motion of United States Postal Service for Further Extension of Time to File Comments, filed June 6, 2003, at 3. The Postal Service also observes that the current period

between omnibus rate cases should be longer than normal, and infers from this that it is less urgent to resolve issues about what financial information should be available to the public in interim periods. *Id.* at 4.

Although motions to modestly extend the time for filing comments in informal rulemakings are often granted, the Postal Service should not assume that its third motion to extend will be routinely granted. The Postal Service's view is that the proposals in this docket raise major questions of regulatory policy and that the President's Commission is wrestling with much the same issues. The Postal Service recognizes, the sequence of exploration of these issues by the Rate Commission and the President's Commission may affect the path that the exploration takes. Because of the potential significance of the Postal Service's motion, the Commission has decided to extend the time for filing answers from June 13 to June 20, so that interested parties may file thoroughly considered responses.

The immediate issue raised by this rulemaking is whether certain routinely-generated financial reports that the Postal Service provides to the public during omnibus rate proceedings should also be provided to the public between those proceedings. The Postal Service suggests that this presents broad public policy issues, such as how much financial transparency is appropriate between omnibus rate proceedings, and whether the Commission should play a passive or active role on costing methodology issues between proceedings. The Postal Service believes that a public discussion of these issues might be misdirected if the recommendations of the President's Commission are not known. A counter consideration is that the deliberations of the President's Commission in these areas might be better informed if they had the benefit of a focused discussion of these issues, in this docket, by the parties that are most affected.

The Postal Service's motion says little about whether the Commission has a need for access to basic financial data to carry out its duties between omnibus rate proceedings, except to suggest that because the next omnibus rate proceeding apparently will be postponed longer than normal, the Commission has less urgent need

of such data. Others, however, might argue that the longer the interim period goes, the more important it becomes to have access to certain kinds of data. For example, data that would indicate whether the financial assumptions upon which current rates are predicated remain valid, and data that would facilitate appropriate Commission action on rate and classification cases that are filed in the interim, might become increasingly important as the base year becomes more distant. These considerations bear directly on the question of the desirability of another lengthy deferral of the proposals in this docket.

Whether, on balance, the public interest is better served by a discussion of these issues that comes after the President's Commission has finished its work, or takes place without additional delay is a matter of legitimate debate. If the Rate Commission takes the latter view, and orders the rulemaking to proceed, the Postal Service should be prepared to file its comments on the merits of these proposals within a week of its order. The Postal Service should have had ample time to formulate its position and to prepare its comments, considering that it received notice of the Commission's proposals in early January of this year.

It is ordered:

For the reasons described in the body of the Order, the deadline for answers to the Motion of the United States Postal Service for Further Extension of Time to File Comments, filed June 6, 2003, is extended to June 20, 2003.

By the Commission  
(SEAL)

Steven W. Williams  
Secretary