

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

EXPERIMENTAL PARCEL RETURN SERVICES

Docket No. MC2003-2

STIPULATION AND AGREEMENT

This Stipulation and Agreement is submitted pursuant to Rule 29 of the Rules of Practice and Procedure of the Postal Rate Commission, 39 C.F.R. § 3001.29, by and between the undersigned participants or through their respective attorneys. It is a negotiated settlement of all issues raised in the above-captioned docket. The undersigned participants hereby stipulate and agree to the following:

I. BACKGROUND

On May 28, 2003, pursuant to 39 U.S.C. § 3623, the United States Postal Service filed with the Postal Rate Commission a request for a decision recommending the implementation of experimental changes in the Domestic Mail Classification Schedule (DMCS) to establish rate categories, and rates and fees, for certain parcels and bound printed matter that are returns from customers to merchants. The request was designated as Docket No. MC2003-2 by the Commission. The basis for the request is explained in the Docket No. MC2003-2 direct testimony of witness John Gullo (USPS-T-1).

II. TERMS AND CONDITIONS

1. This Stipulation and Agreement represents a negotiated settlement of all issues raised by the Docket No. MC2003-2 Request of the United States Postal Service For A Recommended Decision On Experimental Parcel Return Services.

2. The undersigned participants stipulate and agree, for purposes of this proceeding only, that the following materials provide substantial evidence supporting and justifying a Recommended Decision recommending the experimental changes to DMCS §§ 521, 522, 560, 570, 585, 932, 943, 944, 945, 948, 949, 951, 952, 2010, 2032, and 3050, Rate Schedules 521 and 522, and Fee Schedule 1000 proposed by the Postal Service in Docket No. MC2003-2: the Docket No. MC2003-2 direct testimony and materials filed in support of the Postal Service's Request, any written cross-examination or responses to Chairman's Information Requests, as revised and supplemented, that are designated before the record closes, and the data collection plan, to which the undersigned participants have agreed. The proposed DMCS language changes, the proposed rate schedule changes, the proposed fee schedule changes, and the data collection plan are attached to this Stipulation and Agreement.

3. On the basis of such record, for purposes of this proceeding only, the undersigned participants stipulate and agree that the experimental DMCS, Rate Schedule, and Fee Schedule changes set forth in the Attachment to this Stipulation and Agreement are in accordance with the polices of title 39, United States Code, and in particular, the criteria and factors of 39 U.S.C. §§ 3622 and 3623.

4. In addition to the experimental DMCS, rate schedule, and fee schedule changes set forth in the attachments to this stipulation, the Postal Service will work with

interested mailers to pursue possible future enhancements to the proposed Parcel Return Services and, based on the experience gained during the experiment as currently designed, will continue to examine the possibility of proposing a discount for parcels retrieved by mailers at a BMC other than the BMC that serves the consumer's delivery address.

5. This Stipulation and Agreement is offered in total and final settlement of this proceeding. The undersigned participants agree that they will file no further pleadings or testimony with the Commission in this proceeding, with the exception of:

(a) pleadings or testimony explicitly requested by the Commission or in reply to such pleadings; (b) pleadings or testimony opposing pleadings or testimony filed in opposition to this Stipulation and Agreement; or (c) pleadings, testimony or comments in support of this Stipulation and Agreement.

6. If the Commission adopts a Recommended Decision that materially differs from the experimental classification and fees as filed in this Stipulation and Agreement, or if the Governors of the Postal Service fail to approve the Commission's Recommended Decision adopting the experimental classification and fees as filed by the Postal Service, then each signatory reserves the right to withdraw from this Stipulation and Agreement. Any signatory withdrawing under the terms of this paragraph must provide written notice of its intention to withdraw to all participants within five (5) business days of the occurrence of the specific event giving rise to the right to withdraw. Any exercise of such right by one or more signatories shall not affect the operation of this Stipulation and Agreement as to other signatories.

7. This Stipulation and Agreement pertains only to the instant proceeding. The undersigned participants shall not be considered as necessarily agreeing with or conceding the applicability of any ratemaking principle, any method or principle of classification, any terms and conditions of service, any method of cost of service determination, any principle or method of rate or fee design, the validity or use of any data relied upon by the Postal Service in this docket for any other purposes or in any other classification or ratemaking proceeding, or the application of any rule or interpretation of law, that may underlie, or be thought to underlie, this Stipulation and Agreement.

8. In any future negotiation or proceeding (other than any proceedings involving the honoring, enforcement, or construction of this Stipulation and Agreement), the undersigned participants shall not be bound or prejudiced by this Stipulation and Agreement, nor shall any participant rely for any purpose on the fact that another participant entered into or did not oppose this Stipulation and Agreement. The undersigned participants also agree that, to the extent that matters presented in the Docket No. MC2003-2 Request, in any Commission Recommended Decision on that Request, or in any decision of the Governors of the Postal Service in this proceeding, have not actually been litigated, the resolution of such matters will not be entitled to precedential effect in any other proceeding.

9. The undersigned participants request that the Commission expeditiously issue a decision recommending adoption of the experimental DMCS, Rate Schedule, and Fee Schedule provisions appended to this Stipulation and Agreement.

10. This Stipulation and Agreement represents the entire agreement of the signatories, and supersedes any understandings or representations not contained herein.

* Signature pages are attached.

Proposed additions to text are underlined, and proposed deletions appear in brackets.

PACKAGE SERVICES
CLASSIFICATION SCHEDULE

521.11 **Duration Of Parcel Select Return Services**

a. The provisions of the sections listed in (b) below, which pertain to Parcel Select Return Services, will expire the later of:

i. two years after the implementation date specified by the Postal Service Board of Governors, or

ii. if, by the expiration date specified in (i), a proposal to make Parcel Return Services permanent is pending before the Postal Rate Commission, the later of

A. three months after the Commission takes action on such proposal under section 3624 of Title 39, or

B. -- if applicable -- on the implementation date for permanent Parcel Return Services.

b. The sections that will expire, as set forth in (a) above, include:

Sections 521.21 (the references to 521.27 and 521.28); 521.27; 521.28; 521.7c; 570a (the references to schedules 521.2F and 521.2G); 585; 2010e, 2032, and 3050 (the references to Parcel Select Return Service).

521.2 **Description of Rate Categories**

521.21 **Inter-BMC Rate Category.** The inter-BMC rate category applies to all Parcel Post subclass mail not mailed under sections 521.22, 521.23, 521.24, 521.25, 521.26, 521.27, or 521.28.

* * *

521.27 **Parcel Select Return Service—Return Delivery Unit (RDU) Rate Category.** The Parcel Select Return Service—RDU rate category applies to merchandise returned as Parcel Post subclass mail prepared as specified by the Postal Service; entered as specified by the Postal Service; and retrieved in bulk at a designated delivery unit, or other equivalent facility, as specified by the Postal Service.

521.28 **Parcel Select Return Service—Return BMC (RBMC) Rate Category.**

The Parcel Select Return Service—RBMC rate category applies to merchandise returned as Parcel Post subclass mail prepared as specified by the Postal Service; entered as specified by the Postal Service; and retrieved in bulk at a bulk mail center, or other equivalent facility, as specified by the Postal Service.

* * *

521.7 **Nonmachinable Surcharges.**

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c. Parcel Select Return Service—RBMC Parcel Post mail that does not meet machinability criteria specified by the Postal Service is subject to a nonmachinable surcharge.

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522.11 **Duration Of Bound Printed Matter Return Service**

a. The provisions of the sections listed in (b) below, which pertain to Bound Printed Matter Return Service, will expire the later of:

i. two years after the implementation date specified by the Postal Service Board of Governors, or

ii. if, by the expiration date specified in (i), a proposal to make Parcel Return Services permanent is pending before the Postal Rate Commission, the later of

A. three months after the Commission takes action on such proposal under section 3624 of Title 39, or

B. -- if applicable -- on the implementation date for permanent Parcel Return Services.

b. The sections that will expire, as set forth in (a) above, include:

Sections 522.27; 570b (the reference to schedule 522E); 585; 2010e, 2032 and 3050 (the references to Bound Printed Matter Return Service).

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522.2 **Description of Rate Categories**

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522.27 Bound Printed Matter Return Service—Return BMC (RBMC) Rate

Category. The Bound Printed Matter Return Service—RBMC rate category applies to merchandise returned as Bound Printed Matter subclass mail prepared as specified by the Postal Service; entered as specified by the Postal Service; and retrieved in bulk at a bulk mail center, or other equivalent facility, as specified by the Postal Service. The flats differential described in section 522.4 does not apply to Bound Printed Matter Return Service mail.

* * *

560 ANCILLARY SERVICES

Package Services mail, except Parcel Post or Bound Printed Matter subclass mail entered under sections 521.27, 521.28, or 522.27, will receive the following services upon payment of the appropriate fees:

Service	Schedule
a. Address correction	911
b. Certificates of mailing	947
c. COD	944
d. Insurance	943
e. Special handling	952
f. Return receipt (merchandise only)	945
g. Merchandise return	932
h. Delivery Confirmation (limited to parcel-shaped Package Services Mail)	948
i. Shipper Paid Forwarding	936
j. Signature Confirmation (limited to parcel-shaped Package Services Mail)	949
k. Parcel Airlift	951

Insurance, special handling, and COD services may not be used selectively for individual pieces in a multi-piece Package Services mailing unless specific methods approved by the Postal Service for determining and verifying postage are followed.

570 RATES AND FEES

The rates and fees for Package Services Mail are set forth as follows:

Schedule

- a. Parcel Post subclass

Inter-BMC	521.2A
Intra-BMC	521.2B
Parcel Select	
Destination BMC	521.2C
Destination SCF	521.2D
Destination Delivery Unit	521.2E
<u>Parcel Select Return Services</u>	
<u>Return Delivery Unit</u>	<u>521.2F</u>
<u>Return BMC</u>	<u>521.2G</u>
b. Bound Printed Matter subclass	
Single-Piece	522A
Basic Presort and Carrier Route	522B
Destination Entry Basic Presort	522C
Destination Entry Carrier Route Presort	522D
<u>Bound Printed Matter Return Service</u>	
<u>Return BMC</u>	<u>522E</u>
c. Media Mail subclass	523
d. Library Mail subclass	524
e. Fees	1000

580 **AUTHORIZATIONS AND LICENSES**

585 **Parcel Return Services**

585.1 A permit fee as set forth in Schedule 1000 must be paid once each 12-month period by mailers utilizing Parcel Select Return Service or Bound Printed Matter Return Service. In addition, the permit holder must pay the accounting fee specified in Fee Schedule 1000 once each 12-month period for each advance deposit account. These fees apply to either return service.

585.2 The Parcel Return Services permit may be canceled for failure to maintain sufficient funds in a trust account to cover postage and fees on returned parcels, for distributing labels that do not conform to Postal Service specifications, or for other reasons specified by the Postal Service.

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SPECIAL SERVICES CLASSIFICATION SCHEDULE

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932 **MERCHANDISE RETURN SERVICE**

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932.22 Merchandise Return service is available for the return of any parcel under the following classification schedules:

- a. First-Class Mail
- b. Package Services, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

* * *

943 **INSURANCE**

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943.221 General Insurance is available for mail sent under the following classification schedules:

- a. First-Class Mail, if containing matter that may be mailed as Standard Mail or Package Services;
- b. Package Services, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27;
- c. Regular and Nonprofit subclasses of Standard Mail, for Bulk Insurance only, for mail subject to residual shape surcharge.

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944 **COLLECT ON DELIVERY**

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944.21 COD service is available for collection of \$1,000 or less upon the delivery of postage prepaid mail sent under the following classification schedules:

- a. Express Mail
- b. First-Class Mail

- c. Package Services, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

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945 **RETURN RECEIPT**

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945.221 Return Receipt for Merchandise is available for merchandise sent under the following sections or classification schedules:

- a. Priority Mail
- b. Standard Mail pieces subject to the residual shape surcharge
- c. Package Services, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

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948 **DELIVERY CONFIRMATION**

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948.21 Delivery Confirmation service is available for First-Class Letters and Sealed Parcels subclass mail that is parcel-shaped, as specified by the Postal Service; Priority Mail; Standard Mail, in the Regular and Nonprofit subclasses, that is subject to the residual shape surcharge; and Package Services mail that is parcel-shaped, as specified by the Postal Service, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

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949 **SIGNATURE CONFIRMATION**

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949.21 Signature Confirmation is available for Letters and Sealed Parcels subclass mail that is parcel-shaped, as specified by the Postal Service; Priority Mail; and Package Services mail that is parcel-shaped, as specified by the Postal Service, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

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951 **PARCEL AIRLIFT (PAL)**

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951.21 Parcel Airlift service is available for mail sent under the Package Services Classification Schedule, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

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952 **SPECIAL HANDLING**

* * *

952.21 Special Handling service is available for mail sent under the following classification schedules:

- a. First-Class Mail
- b. Package Services, except Parcel Post or Bound Printed Matter subclass mail entered under section 521.27, 521.28, or 522.27.

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2000 **DELIVERY OF MAIL**

2010 **Delivery Services**

The Postal Service provides the following modes of delivery:

- a. Caller service. The fees for caller service are set forth in Fee Schedule 921.
- b. Carrier delivery service.
- c. General delivery.
- d. Post office box service. The fees for post office box service are set forth in Fee Schedule 921.
- e. Parcel Select Return Service and Bound Printed Matter Return Service delivery, subject to expiration under the conditions set forth in sections 521.11 and 522.11.

* * *

2032 **Return**

Return is the delivery of undeliverable-as-addressed mail to the sender. Parcel Select Return Service mail and Bound Printed Matter Return Service mail do not constitute returned mail within the meaning of this section, subject to expiration under the conditions set forth in sections 521.11 and 522.11.

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3000 **POSTAGE AND PREPARATION**

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3050 **Parcel Select Return Service and Bound Printed Matter Return Service Postage**

Parcel Select Return Service and Bound Printed Matter Return Service mail that is entered under section 521.27, 521.28, or 522.27 may be retrieved by the permit holder prior to payment of postage. Postage on mail in these categories will be determined and paid by the permit holder following receipt, in a manner and within a time specified by the Postal Service. This section is subject to expiration under the conditions set forth in sections 521.11 and 522.11.

PACKAGE SERVICES
RATE SCHEDULE 521.2F

PARCEL POST
PARCEL SELECT RETURN SERVICES
RETURN DELIVERY UNIT RATE CATEGORY

Weight (lbs.)	Rate	Weight (lbs.)	Rate
1	\$2.00	36	\$2.00
2	2.00	37	2.00
3	2.00	38	2.00
4	2.00	39	2.00
5	2.00	40	2.00
6	2.00	41	2.00
7	2.00	42	2.00
8	2.00	43	2.00
9	2.00	44	2.00
10	2.00	45	2.00
11	2.00	46	2.00
12	2.00	47	2.00
13	2.00	48	2.00
14	2.00	49	2.00
15	2.00	50	2.00
16	2.00	51	2.00
17	2.00	52	2.00
18	2.00	53	2.00
19	2.00	54	2.00
20	2.00	55	2.00
21	2.00	56	2.00
22	2.00	57	2.00
23	2.00	58	2.00
24	2.00	59	2.00
25	2.00	60	2.00
26	2.00	61	2.00
27	2.00	62	2.00
28	2.00	63	2.00
29	2.00	64	2.00
30	2.00	65	2.00
31	2.00	66	2.00
32	2.00	67	2.00
33	2.00	68	2.00
34	2.00	69	2.00
35	2.00	70	2.00
		Oversized	7.51

Notes:

Regardless of weight, any parcel that measures more than 108 inches (but not more than 130 inches) in combined length and girth must pay the oversized rate.

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**PACKAGE SERVICES
RATE SCHEDULE 521.2G**

**PARCEL POST
PARCEL SELECT RETURN SERVICES
RETURN BMC RATE CATEGORY
MACHINABLE PIECES**

Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5
1	\$2.10	\$2.13	\$2.19	\$2.28
2	2.67	2.70	2.77	2.88
3	3.22	3.25	3.34	3.46
4	3.42	3.76	3.86	4.00
5	3.59	4.16	4.29	4.49
6	3.75	4.52	4.65	4.94
7	3.90	4.83	4.98	5.35
8	4.47	5.12	5.28	5.74
9	4.60	5.36	5.59	6.09
10	4.77	5.67	5.88	6.42
11	4.90	5.88	6.14	6.72
12	5.05	6.08	6.40	7.01
13	5.18	6.24	6.64	7.27
14	5.30	6.36	6.89	7.52
15	5.41	6.53	7.10	7.76
16	5.52	6.70	7.30	7.98
17	5.65	6.86	7.52	8.19
18	5.74	7.01	7.71	8.38
19	5.86	7.16	7.89	8.57
20	5.96	7.30	8.05	8.74
21	6.05	7.44	8.20	8.91
22	6.16	7.56	8.34	9.06
23	6.24	7.72	8.48	9.21
24	6.33	7.84	8.60	9.36
25	6.41	7.96	8.72	9.49
26	6.51	8.07	8.85	9.62
27	6.59	8.20	8.96	9.74
28	6.66	8.32	9.05	9.86
29	6.75	8.44	9.16	9.97
30	6.83	8.54	9.26	10.07
31	6.91	8.62	9.35	10.18
32	7.00	8.74	9.45	10.27
33	7.06	8.84	9.53	10.37
34	7.14	8.92	9.61	10.45
35	7.20	9.03	9.69	10.54

Notes:

1. Parcels that weigh less than 15 pounds but measure more than 84 inches in combined length and girth are charged the applicable rate for a 15-pound parcel.

**PACKAGE SERVICES
RATE SCHEDULE 521.2G, CONTINUED**

**PARCEL POST
PARCEL SELECT RETURN SERVICES
RETURN BMC RATE CATEGORY
NONMACHINABLE PIECES**

Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5	Weight (lbs.)	Zones 1 & 2	Zone 3	Zone 4	Zone 5
1	\$3.45	\$3.48	\$3.54	\$3.63	36	\$8.65	\$10.49	\$11.14	\$12.00
2	4.02	4.05	4.12	4.23	37	8.72	10.56	11.20	12.06
3	4.57	4.60	4.69	4.81	38	8.76	10.63	11.25	12.11
4	4.77	5.11	5.21	5.35	39	8.82	10.71	11.29	12.16
5	4.94	5.51	5.64	5.84	40	8.85	10.76	11.33	12.21
6	5.10	5.87	6.00	6.29	41	8.92	10.85	11.37	12.26
7	5.25	6.18	6.33	6.70	42	8.95	10.90	11.42	12.30
8	5.82	6.47	6.63	7.09	43	8.99	10.96	11.46	12.33
9	5.95	6.71	6.94	7.44	44	9.04	11.02	11.50	12.36
10	6.12	7.02	7.23	7.77	45	9.07	11.07	11.64	12.39
11	6.25	7.23	7.49	8.07	46	9.14	11.14	11.67	12.42
12	6.40	7.43	7.75	8.36	47	9.19	11.18	11.70	12.45
13	6.53	7.59	7.99	8.62	48	9.22	11.25	11.72	12.48
14	6.65	7.71	8.24	8.87	49	9.27	11.30	11.75	12.51
15	6.76	7.88	8.45	9.11	50	9.28	11.35	11.77	12.54
16	6.87	8.05	8.65	9.33	51	9.35	11.39	11.80	12.57
17	7.00	8.21	8.87	9.54	52	9.39	11.47	11.82	12.60
18	7.09	8.36	9.06	9.73	53	9.40	11.50	11.83	12.63
19	7.21	8.51	9.24	9.92	54	9.44	11.52	11.86	12.66
20	7.31	8.65	9.40	10.09	55	9.48	11.54	11.89	12.69
21	7.40	8.79	9.55	10.26	56	9.52	11.56	11.91	12.72
22	7.51	8.91	9.69	10.41	57	9.57	11.56	11.91	12.75
23	7.59	9.07	9.83	10.56	58	9.60	11.58	11.93	12.78
24	7.68	9.19	9.95	10.71	59	9.63	11.59	11.95	12.81
25	7.76	9.31	10.07	10.84	60	9.68	11.60	11.95	12.84
26	7.86	9.42	10.20	10.97	61	9.72	11.61	11.97	12.87
27	7.94	9.55	10.31	11.09	62	9.75	11.62	12.01	12.90
28	8.01	9.67	10.40	11.21	63	9.78	11.62	12.06	12.93
29	8.10	9.79	10.51	11.32	64	9.82	11.62	12.09	12.96
30	8.18	9.89	10.61	11.42	65	9.85	11.64	12.13	12.99
31	8.26	9.97	10.70	11.53	66	9.90	11.64	12.18	13.02
32	8.35	10.09	10.80	11.62	67	9.94	11.65	12.23	13.05
33	8.41	10.19	10.88	11.72	68	9.94	11.65	12.25	13.08
34	8.49	10.27	10.96	11.80	69	9.99	11.65	12.30	13.11
35	8.55	10.38	11.04	11.89	70	10.02	11.65	12.34	13.14
					Oversized	25.99	26.31	27.00	28.05

Notes:

1. Parcels that weigh less than 15 pounds but measure more than 84 inches in combined length and girth are charged the applicable rate for a 15-pound parcel. Regardless of weight, any parcel that measures more than 108 inches (but not more than 130 inches) in combined length and girth must pay the oversized rate.

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**PACKAGE SERVICES
RATE SCHEDULE 522E**

**BOUND PRINTED MATTER
BPM RETURN SERVICE
RETURN BMC RATE CATEGORY**

Weight	Zones 1 & 2	Zone 3	Zone 4	Zone 5
1.0	\$1.63	\$1.68	\$1.72	\$1.80
1.5	1.63	1.68	1.72	1.80
2.0	1.70	1.76	1.82	1.92
2.5	1.77	1.85	1.92	2.05
3.0	1.84	1.93	2.02	2.17
3.5	1.91	2.02	2.12	2.30
4.0	1.98	2.10	2.22	2.42
4.5	2.05	2.19	2.32	2.55
5.0	2.12	2.27	2.42	2.67
6.0	2.26	2.44	2.62	2.92
7.0	2.40	2.61	2.82	3.17
8.0	2.54	2.78	3.02	3.42
9.0	2.68	2.95	3.22	3.67
10.0	2.82	3.12	3.42	3.92
11.0	2.96	3.29	3.62	4.17
12.0	3.10	3.46	3.82	4.42
13.0	3.24	3.63	4.02	4.67
14.0	3.38	3.80	4.22	4.92
15.0	3.52	3.97	4.42	5.17

FEE SCHEDULE 1000

Description	Fee
<i>Add:</i>	
<u>Parcel Return Services Accounting Fee (per year)</u>	<u>475.00</u>
<u>Parcel Return Services Permit Fee (per year)</u>	<u>150.00</u>

As practicable, data provided under this plan will be broken down between Bound Printed Matter Parcel Return Service (PRS) and Parcel Select PRS. No information identifying specific shippers will be reported.¹

- A. The Postal Service will collect the following information and report it to the Commission semi-annually:
1. Volume by RDU and RBMC, by weight and zone (as possible)
 2. Weekly volume for each RDU and RBMC (identification of facility names/locations not required and data may be provided electronically in a PC-compatible format without hard copy)
 3. Pickup frequency by facility type
 4. Number and types of facilities used as pickup locations
 5. Evaluation of whether the process flows match those used to estimate costs
 6. To the extent possible, RDU volume broken down between regular-sized and oversized parcels
 7. RBMC volume broken down among machinable, non-machinable and oversized parcels
 8. Number of pieces addressed to an RDU but picked up at an RBMC, broken down into machinable, non-machinable and oversized groups
 9. To the extent possible, the number of machinable pieces addressed to an RBMC or an RDU that were transported inter-BMC
 10. The number of shippers participating in BPM PRS.
 11. The number of shippers participating in Parcel Select PRS, broken down into shippers that participate solely in RBMC; solely in RDU; or participate in both.
- B. The Postal Service will review the following items and report annually to the Commission on its findings:
1. Review operations being performed and comment upon potential adjustments to the list of RBMC and RDU return service mail processing activities listed on USPS-T-2, Attachment C, at pages 10-15.
 2. Comment upon the accuracy of the percentage estimates provided in USPS-T-2, Attachment C, page 6, i.e., that containers are as full as estimated, separately for RBMC and RDU activities.

¹ For any period of time in which fewer than three BPM and/or Parcel Select mailers are participating, any data that would otherwise be provided, but which, due to the limited number of shippers, would constitute, or could be used to determine, mailer-specific information, would not be reported.

3. Provide a ballpark (or more precise) estimate of the capacity utilization (pieces per container) for parcel return service containers and compare it to the estimate in USPS-T-2, Attachment D.
 4. To the extent possible, review and comment upon whether the productivities in USPS-T-2, Attachment C, pages 2 and 3, continue to reflect best current estimates.
 5. Review and comment upon the actual sampling operations for manifest review as compared to the planned operations.
 6. Review and comment upon the accuracy of the travel time estimate incorporated into USPS-T-2, Attachment G, page 1, based upon a sample of actual travel times to shipper locations by Postal Service Return Technicians.
 7. Review and comment upon the accuracy of the estimate for the average number of pieces per manifest in USPS-T-2, Attachment H.
 8. Review and comment upon whether the estimated storage days for RBMC and RDU in USPS-T-2, Attachment D are correct or need to be revised.
 9. Review and comment upon the extent of the need for adjustments in pick-up schedules to alleviate excessive storage time.
 10. Review and comment upon the accuracy of the following estimates used in USPS-T-2, Attachments C and D
 - a. the estimated units per hour for sorting parcels to mailers for RBMC machinable returns (125.4 units/hr), RBMC non-machinable returns (100 units/hr) and RBMC non-machinable oversize returns (100 units/hr)
 - b. the estimated units per hour for sorting parcels to mailers for RDU machinable mail (460.6 units/hr)
 - c. the estimated space utilization storage costs estimated for RBMC and RDU rate categories beyond what is reported in response to Part B, subpart (8).
- C. Reports will be filed with the Commission to reflect the Postal Service's fiscal year. The first report will cover the first two quarters plus any partial quarters during which the experiment is in effect.² The first report will provide the items listed under section A; the second report will provide the items listed under sections A and B; and that pattern will continue with all subsequent reports. The final report may also include a partial quarter. The Postal Service anticipates that collection of the data and preparation of each report will take between six and eight weeks, following the end of a reporting period.

² Data for the balloon rate may not be available initially (such as for the first quarter), but will be provided once available.

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

EXPERIMENTAL PARCEL RETURNS SERVICES

Docket No. MC2003-2

SIGNATURE PAGE FOR STIPULATION AND AGREEMENT

[signed] Daniel J. Foucheaux, Jr.

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking
United States Postal Service

July 28, 2003

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

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For Intervenor:

Date: _____

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Pro Se

Date: _____