

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

POSTAL RATE AND FEE CHANGES
PURSUANT TO PUBLIC LAW 108-18

Docket No. R2005-1

REPLY COMMENTS OF UNITED STATES POSTAL SERVICE ON
NOTICE OF INQUIRY NO. 1 CONCERNING REGISTERED MAIL
(May 17, 2005)

Two parties other than the Postal Service filed Comments on Notice of Inquiry No. 1 Concerning Registered Mail: the Office of the Consumer Advocate (OCA), and Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc. (Valpak). The Postal Service agrees with most of the OCA comments, including the conclusion that the establishment of implementation dates is within the authority of the Postal Service Board of Governors, and therefore is not the responsibility of the Commission.¹

Valpak argues that section 3625(f), by specifying that the Board determines the "date" on which the new rates, fees, the mail classification schedule, and changes in such schedule shall become effective, limits the Board to setting "one effective date (i.e., not multiple dates) for the entire set of Commission-recommended rates."² This reads too much into the statute. The Governors have issued multiple decisions to handle one Recommended Decision, and have set more than one effective date in

¹ Office of the Consumer Advocate Comments on Notice of Inquiry No. 1 Concerning Registered Mail (May 10, 2005), at 1-2.

² Comments of Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc. in Response to Notice of Inquiry No. 1 (May 10, 2005), at 1 (Valpak Comments).

several instances.³ Section 3625(e) also uses the singular “decision” when presenting the options of the Governors upon receiving a Commission Recommended Decision, but the courts have accepted the possibility that the Governors may issue more than one decision in response to a single Recommended Decision.

Valpak also claims that the Postal Service Board’s deferral of an effective date would be like a “line item veto” of the Commission’s recommended rates.⁴ This claim ignores the limited context in which this issue arises. As noted in the Postal Service’s initial comments, furthermore, the prospect of deferral is conditional and speculative at this stage.⁵ Any presumption that it would serve as a precedent for an imagined abuse or extension of the Postal Service’s authority, however it might be interpreted, is unwarranted. That possibility can be addressed in the future, if it ever materializes at all.

Finally, Valpak suggests that the Office of the Consumer Advocate be asked to review the Registered Mail issue “[i]f it appears that no intervenor expresses an interest in taking the lead to contest the Postal Service’s request regarding Registered Mail.” The Postal Service notes that David B. Popkin, Douglas F. Carlson, and the Office of the Consumer Advocate already are conducting discovery on Registered Mail, so that relevant issues will be addressed.⁶

³ Response of United States Postal Service to Notice of Inquiry No. 1 Concerning Registered Mail, at 4-5.

⁴ Valpak Comments at 2.

⁵ Response of United States Postal Service to Notice of Inquiry No. 1 Concerning Registered Mail, at 2.

⁶ See interrogatories DBP/USPS-47-48, 50-54, 64, 72, and 75-81; DFC/USPS-19 and 23; and OCA/USPS-T28-7-10.