

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

PARCEL RETURN SERVICE

Docket No. MC2006-1

UNITED STATES POSTAL SERVICE REQUEST  
FOR ESTABLISHMENT OF SETTLEMENT PROCEDURES  
(October 17, 2005)

The United States Postal Service hereby requests that the Commission establish settlement procedures. The grounds for this motion are set forth below.

The proposed permanent classification change is straightforward and of a limited scope. It is the culmination of a successful two-year experiment established in Docket No. MC2003-2, targeting business-to-residential shippers with volume over 100 parcels per day, and focusing on merchandise returned from customers to merchants. The return parcels generally are picked up at the same facility where they were originally entered (such as a Destination Bulk Mail Center or Destination Delivery Unit). The pricing reflects costs avoided due to the streamlined processing.

The changes requested are generally consistent with those in Docket No. MC2003-2, and are explained in the testimony of Postal Service witnesses Daniel (USPS-T-1) and Koroma (USPS-T-3), and in the Postal Service's Request. The changes involve making permanent the experimental additions to the Domestic Mail Classification Schedule (other than for Bound Printed Matter) and adding a provision regarding Certificates of Mailing. There are accompanying changes to Rate Schedules 521.2F, 521.2G, and Fee Schedule 1000. The proposed changes would have an

insignificant effect on the Postal Service's overall volumes, revenues, and costs, as shown in the testimony of witness Koroma (USPS-T-3).

The experimental service currently in effect was recommended by the Commission in Docket No. MC2003-2 on the basis of a settlement agreement. The Postal Service believes that the same level of support exists for making permanent the service, which should have no significant adverse effect on other mailers or competitors. Thus, there is a distinct possibility for settlement, just as in Docket No. MC2003-2.

For these reasons, the Postal Service requests that the Commission establish settlement procedures in conjunction with its consideration of the Request. Specifically, the Postal Service requests that a settlement conference be scheduled soon after the deadline for intervention. Reaching a settlement promptly would obviate the need for most, if not all, of the usual subsequent procedural stages.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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