

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

Before Commissioners:

Dan G. Blair, Chairman;
Dawn A. Tisdale, Vice Chairman;
Mark Acton; Ruth Y. Goldway; and
Tony L. Hammond

Repositionable Notes
Minor Classification Change

Docket No. MC2007-2

NOTICE AND ORDER ON POSTAL SERVICE REQUEST
FOR CHANGE IN EXPIRATION DATE FOR PROVISIONAL RATES
AND CLASSIFICATIONS FOR REPOSITIONABLE NOTES

(Issued April 5, 2007)

I. Background

Under the terms of the Domestic Mail Classification Schedule (DMCS), Provisional Repositionable Notes (RPN) service expires April 3, 2007, barring the Service's filing of a request to continue to test the service or to make it a permanent offering. See DMCS 221.336(a). Notice is hereby given that on April 2, 2007, the Postal Service filed with the Commission a Request, along with related pleadings, that tolls the scheduled expiration date by seeking establishment of a docket to consider a change which would extend expiration by one year, to April 2, 2008.¹

The instant Request was filed pursuant to section 3623 of the Postal Reorganization Act, 39 U.S.C. § 101 *et seq.* The Request identifies with specificity the requested change in the expiration date in affected DMCS classification provisions and

¹ Request of the United States Postal Service for a Recommended Decision on Change of Expiration Date for Provisional Repositionable Notes Classifications and Rates, April 2, 2007 (Request). The Request includes three attachments. Attachment A consists of the Service's proposed changes in the DMCS. Attachment B is an index of direct testimony. Attachment C is a statement of compliance with Commission rules 64, 69 and 69a.

in the associated rates specified in certain rate schedules. Related concurrent filings include the Direct Testimony of Broderick A. Parr (USPS-T-1); a separate Notice addressing, among other things, the Service's interest in settlement; and a pleading including a Conditional Motion for Waiver.²

The Service also suggests, in the alternative, that suspension of the docket might be appropriate. Request at 1-2. The rationale for this suggestion is the Service's belief that it might be advisable to wait until PAEA implementation matures sufficiently to illuminate other options for moving forward or until the Service files another request involving RPNs. *Id.* at 2.

The Service asserts that the requested change conforms with the criteria of 39 U.S.C. §§ 3623(c), and will further the general policies of efficient postal operations and reasonable rates and fees enunciated in the Postal Reorganization Act. Request at 2. It states the requested change is intended to maintain *status quo ante* and avoid disruption for mailers currently using RPN service and those that may be considering such use.

II. Application of Expedited Rules

Rationale for filing under rules for expedited minor classification cases. The Postal Service denominates its request as a minor classification change, in conformance with rule 69, and seeks to have it considered under the Commission's rules for expedited minor classification cases. Notice at 1; 39 C.F.R. §§ 3001.69. In support of this treatment, it notes that the requested change is minor. It also observes that although no particular need for expedition exists, the proposed change meets the requirements set out in the expedited rules, as it does not involve a change in any rate or fee; does not impose any additional eligibility restrictions; and will not significantly

² Notice of Filing of Request of the United States Postal Service for a Recommended Decision on Change of Expiration Date for Provisional Repositionable Notes Classifications and Rates (Notice) and Statement of the United States Postal Service Concerning Compliance with Filing Requirements and Conditional Motion for Waiver (Conditional Motion for Waiver), both filed April 2, 2007.

change the estimated institutional cost contribution of the affected subclasses. Request at 3.

III. Suspension Option

The Service asserts that the Commission has some discretion in handling the Request in light of current PAEA implementation activity. It observes:

While the formal thrust of this Request would extend expiration of RPN provisional service until April 3, 2008, the Postal Service would also support another procedural option. The Commission could suspend all activity in this docket until PAEA implementation matures sufficiently to illuminate other options for moving forward, or until a further request involving RPNs is filed. The Postal Service is prepared to defer to the Commission's preference here.

Request at 2. The Service addresses additional issues related to suspension in the accompanying Notice. Notice at 2.

IV. Preliminary Procedural Steps

The Commission's rules for expedited minor classification cases set out several pre-established deadlines designed to foster expedition. For example, rule 69 requires that the Commission issue notice of the proceeding within 5 days of the Service's filing. This notice, among other things, must afford interested persons 15 days after filing of the Postal Service's request to intervene and to respond to the Postal Service's proposal to have its Request considered under rule 69 procedures. Consistent with this requirement, intervention shall be allowed until April 20, 2007. Intervenors seeking a hearing on issues raised in the Request shall identify the fact or facts in the Postal Service filing that require a hearing.

To assist the Commission in determining an appropriate course of action, intervenors, in addition to addressing the appropriateness of using the expedited rules

in this proceeding, are invited to address the Service's suggestion that suspension is an appropriate option; the Service's conditional Motion for Waiver; and the possibility of settlement. These pleadings, which may be combined, are due no later than April 20, 2007.

Public participation. In conformance with section 3624(a) of title 39, the Commission designates Shelley S. Dreifuss, director of the Commission's Office of the Consumer Advocate, to represent the interests of the general public in this proceeding. Pursuant to this designation, Ms. Dreifuss will direct the activities of Commission personnel assigned to assist her and, upon request, will supply their names for the record. Neither Ms. Dreifuss nor any of the assigned personnel will participate in or provide advice on any Commission decision in this proceeding.

It is ordered:

1. The Commission establishes Docket No. MC2007-2 to consider the Postal Service Request referred to in the body of this Order.
2. The Commission will act *en banc* in this proceeding.
3. Notices of intervention shall be filed no later than April 20, 2007.
4. Responses to the Service's request for consideration of its Request under rule 69 are due no later than April 20, 2007.
5. Comments on the Service's suggestion that suspension of this docket is a procedural option are due no later than April 20, 2007.
6. Answers to the Service's Conditional Motion for Waiver are due no later than April 20, 2007.

7. Comments on the appropriateness of authorizing settlement procedures in this proceeding are due no later than April 20, 2007.
8. Shelley S. Dreifuss, director of the Commission's Office of the Consumer Advocate, is designated to represent the interests of the general public.
9. The Secretary shall cause this Notice and Order to be published in the *Federal Register*.

By the Commission.

(SEAL)

Steven W. Williams
Secretary