

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

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PREMIUM FORWARDING SERVICE

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Docket No. MC2007-3

NOTICE OF THE UNITED STATES POSTAL SERVICE  
REGARDING THE STATUS OF  
SETTLEMENT DISCUSSION  
(October 5, 2007)

Order No. 31 (August 31, 2007) directed Postal Service counsel in this proceeding to file a status report by today if a settlement agreement had not already been submitted. The Postal Service retains a very high level of confidence that a Stipulation and Agreement will be filed in the near future together with (or followed shortly thereafter by) signature pages from all participants save one.

The discovery deadline set by Order No. 31 was September 18, 2007. Since that date, Mr. Popkin filed a set of 11 interrogatories on September 24 and a set of two interrogatories yesterday. The former were answered, without objection, on September 27. With respect to the interrogatories filed yesterday (DBP/USPS-22-23), the Postal Service is filing today a partial objection to interrogatory DBP/USPS-22 and a full objection<sup>1</sup> to interrogatory DBP/USPS-23, together with a response to the former.

As such, it is possible that discovery in this docket has reached a conclusion. In any event, the Postal Service has done everything it could to respond quickly and completely to all interrogatories filed. Whether there is any continuation would appear

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<sup>1</sup> Grounds for objections to both questions include: relevance, improper follow up, lateness, cumulative, and argumentative.

now to depend up on Mr. Popkin, the one participant who states unequivocally that he is not prepared to join the settlement.<sup>2</sup>

The Postal Service has discussed with all participants the potential for settlement and the content of a stipulation and agreement. A draft Stipulation and Agreement was shared earlier this week with counsel for the National Newspaper Association (NNA), the Commission's Office of the Consumer Advocate (OCA), and the Association of Priority Mail Users, Inc. (APMU). Feedback from one participant led to the subsequent sharing of three modestly edited paragraphs from the draft. Two of these participants have shared with undersigned counsel a commitment to signing the Stipulation and Agreement, perhaps conditioned upon a signature from the third participant. Undersigned counsel fully expects all three participants will sign the Stipulation and Agreement.<sup>3</sup>

The Postal Service has no expectation that any participant will request a hearing.<sup>4</sup>

Subsequent to the filing of the Stipulation and Agreement, some procedural matters will require attention, including a date for participants to designate discovery responses as written cross-examination of the Postal Service case-in-chief and a date for the submission of final copies of testimony and related witness declarations.

In conclusion, this docket appears to be drawing to a conclusion that will afford the Commission the opportunity to develop an opinion and recommended decision

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<sup>2</sup> Mr. Popkin does not join settlement agreements. Upon finalization of the Stipulation and Agreement, he will be given an opportunity to state whether he also chooses not to oppose the settlement.

<sup>3</sup> While undersigned counsel hopes that the Stipulation and Agreement can be finalized and filed next week, counsel for two participants face some logistical complications that, while not bearing on the settlement directly, could delay it for a short while.

<sup>4</sup> The OCA formally indicated two days ago it would not be requesting a hearing. Any affirmative requests are due today. Order No. 31 at 2.

based on the Postal Service direct case, written cross-examination, and the Stipulation and Agreement. Fortunately, with all of the other activity involving the Commission, mailers and the Postal Service now underway, this proceeding is not generating specific time pressure for anyone. The Postal Service accordingly hereby extends its respectful suggestion that the Commission await the filing of the Stipulation and Agreement, followed by signature pages, before undertaking any further procedural steps.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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