



DOCKET SECTION

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Thomas Koerber, Secretary
Board of Governors, U.S. Postal Service
475 L'Enfant Plaza, S.W.
Room 10300
Washington, D.C. 20260-1000

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OFFICE OF THE
ASSOCIATE GENERAL COUNSEL

Re: comments on R97-1 Recommended Decision

Dear Mr. Koerber;

The American Bankers Association (ABA) is a nonprofit membership organization whose membership is composed of banks located in each of the 50 states and the District of Columbia. As an industry, banking is one of the largest users of First-Class Mail. Postal costs are a significant part of banks' operating expenses.

As set forth in 39 CFR 9.2, ABA submits these comments on the Opinion and Recommended Decision issued by the Postal Rate Commission (PRC) in the R97-1 rate case to the Board of Governors. ABA has joined with a coalition of mailers to submit comments on the Prepaid Reply Mail (PRM) proposal so that issue will not be addressed in this letter.

ABA encourages the Board to approve the PRC's Recommended Decision, including the PRC's recommendation that new rates not be put into effect before January, 1999. The PRC's recommendations to increase worksharing discounts on First-Class letter mail and to reduce the extra-ounce rate on First-Class letter mail are well supported in the record of the case. Implementation of these recommendations would improve the Postal Service's rate structure and would strengthen the Postal Service's prospects for the future by making First-Class letter mail a more attractive alternative for business mailers.

The Postal Service's recent strong financial performance has made it unnecessary for the Board to order new rates into effect immediately. ABA urges the Board to delay implementation of the new rates until, at least, January 1999. Such an action would enable the Postal Service to receive the additional income it needs for the future without placing an unnecessary burden on mailers.

Sincerely,

A handwritten signature in cursive script, likely of Irving D. Warden.