

DOCKET SECTION

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

STATEMENT OF THE UNITED STATES POSTAL SERVICE REGARDING RECONSIDERATION (July 7, 1998)

In a decision dated June 29, 1998, the Governors of the Postal Service allowed three limited aspects of the Commission's recommendations in this docket to take effect under protest, and returned those matters for reconsideration. As explained by the Governors, in none of these instances does there appear to be any fundamental disagreement between the Governors and the Commission. With respect to two matters, rates for Within County Periodicals and Destination Delivery Unit (DDU) Parcel Post, the Commission itself identified the need for return of the recommended decision by the Governors as a mechanism to allow reconsideration of specific rates.^{1/} With respect to Library Mail, the Governors have merely suggested an alternative means of more directly achieving the same objective.^{2/} In light of the nature of the matters returned, the Postal Service submits the following views on the reconsideration process.

The starting point of observation is that the Board of Governors has determined that rates ordered into effect by the Governors will be implemented, with limited exceptions, on January 10, 1999. Barring any intervening events to the contrary, that

^{1/} See, Letter of Secretary of the Commission to Chairman Winters (May 20, 1998); Order No. 1213 (June 19, 1998) at 3.

^{2/} See, Decision of the Governors (June 29, 1998) at 11-14.

implementation date also applies to the matters allowed into effect under protest. The Postal Service submits that if the Commission is likely to alter any of its recommendations that have been returned for reconsideration, it would be highly desirable for the Governors to be able to act on any such revised recommendations sufficiently before the scheduled implementation date so as to minimize potential disruption and confusion. The Postal Service would very much prefer to avoid having to change any rates after implementation has occurred, and would also prefer to be able to incorporate any rate revisions into its implementation planning at the earliest possible stages. Although it would be appropriate for the Commission to solicit the comments of any interested parties regarding suggested procedures, there is at this time no apparent reason why reconsideration of any of the three returned matters would warrant reopening the record. To the extent that reconsideration in this instance will lead to clarification or revision of the Commission's May 11 recommendations, the evidentiary record intended to support those recommendations should be adequate to support any necessary further recommendations.

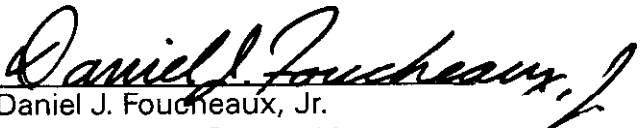
Therefore, the Postal Service suggests a relatively brief reconsideration process. Parties should first be allowed the opportunity to suggest procedures, much as the Postal Service is doing with this statement. Second, in the absence of any identified compelling need to reopen the record, parties should be given the opportunity to submit substantive technical or legal arguments regarding the three matters returned for reconsideration. An opportunity for brief reply to such arguments may also be appropriate. With this input from the parties, the Commission should be able to proceed directly to issuance of a

further recommended decision on Within County Periodicals, DDU Parcel Post, and Library Mail.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

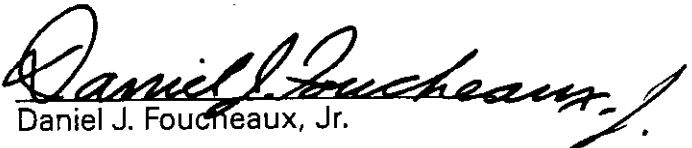
By its attorney:


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July 7, 1998

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.


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