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UNITED STATES OF AMERICA POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

Mailing Online Service

Docket No. MC98-1

PRESIDING OFFICER'S RULING GRANTING POSTAL SERVICE MOTION TO SUSPEND PROCEDURAL SCHEDULE

(April 9, 1999)

On April 8, 1999, the Postal Service filed its Motion of United States Postal Service to Suspend the Procedural Schedule in this docket. When the Postal Service filed its Request proposing a new Mailing Online special service, its Request was based on the assumption that Mailing Online would be offered to the public through Post Office Online, an internet website that a Postal Service contractor has been developing for online access to various postal services. The Postal Service's motion says that this assumption is no longer valid.

The Postal Service explains that PostOffice Online was denied an exemption from the Y2K moratorium on changes to postal computer systems that is now in effect, which has caused the Postal Service to cancel further development of PostOffice Online. The Postal Service notes that much of the evidence presented in support of its Mailing Online proposal was based on the expectation that PostOffice Online would be the channel through which customers would order and pay for Mailing Online and other services. It concludes that the elimination of PostOffice Online renders some of the evidence presented concerning Mailing Online information system costs in this decision.

The Postal Service asserts that management remains committed to its Mailing Online initiative, and is considering offering Mailing Online through its www.usps.com website. It states that it intends to continue the market test of Mailing Online and to collect and report the data required by the Commission's Opinion in the Market Test. It also announces its desire to commence a nationwide Mailing Online experiment following the market test. It indicates that further proceedings in this docket must await a reevaluation of future plans for Mailing Online by postal management, most likely by the Board of Governors. The Postal Service recognizes that this reevaluation will not allow this proceeding to be completed within the 10-month limit imposed by statute. Accordingly, it moves that these proceedings be suspended. Motion at 1-2.

The Postal Service also reports that the active participants in this case do not oppose this motion. It appears that suspension of these proceedings is required by this basic change in the factual circumstances upon which the Postal Service's Request was predicated and the need for Postal Service management to reevaluate its plans for Mailing Online. Accordingly, it motion to suspend this proceeding will be granted.

RULING

The Motion of United States Postal Service to Suspend the Procedural Schedule, filed April 8, 1999, is granted.

W.H. "Trey" LeBlanc III

Presiding Officer