

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

BULK PARCEL RETURN SERVICE
EXPEDITED MINOR CLASSIFICATION CASE

Docket No. MC99-4

REPORT OF UNITED STATES POSTAL SERVICE
ON PROGRESS OF SETTLEMENT NEGOTIATIONS

The Postal Service is pleased to report that all participants either support or do not oppose the changes in the DMCS proposed by the Postal Service, with a modification in section 935.36 as shown in the attachment. The Postal Service has already received signature pages from three participants and has indications from several others that theirs are forthcoming.

At the request of one participant, however, another meeting is being held for further consideration of that participant's unrelated proposal—to lower the annual minimum volume requirement for BPRS. This proposal could create complications for expedited consideration of this docket, since there is no record evidence to support the proposal, and the proposal may affect the cost contribution of BPRS in contravention of the limits of minor classification cases set forth in rule 69(a)(3).

Participants should note that the meeting will be held tomorrow, July 13, at 10:00 a.m. in room 1P629 at Postal Service headquarters. The Postal Service remains optimistic that these further discussions will lead to a settlement of this docket.

The Postal Service will provide a further report to the Commission following those discussions.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Scott L. Reiter

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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July 12, 1999

DOMESTIC MAIL CLASSIFICATION SCHEDULE LANGUAGE**935 BULK PARCEL RETURN SERVICE****935.1 Definition**

935.11 Bulk Parcel Return Service provides a method whereby high-volume parcel mailers may have [undeliverable-as-addressed] machinable parcels returned to designated postal facilities for pickup by the mailer at a predetermined frequency specified by the Postal Service or delivered by the Postal Service in bulk in a manner and frequency specified by the Postal Service. Such parcels are being returned because they: (1) are undeliverable-as-addressed; (2) have been opened, resealed, and redeposited into the mail for return to the mailer using the return label described in section 935.36 below; or (3) are found in the mailstream, having been opened, resealed, and redeposited by the recipient for return to the mailer, and it is impracticable or inefficient for the Postal Service to return the mailpiece to the recipient for payment of return postage.

935.2 Description of Service

935.21 Bulk Parcel Return Service is available only for the return of machinable parcels, as defined by the Postal Service, initially mailed under the following Standard Mail subclasses: Regular and Nonprofit.

935.3 Requirements of the Mailer

935.31 Mailers must receive authorization from the Postal Service to use Bulk Parcel Return Service.

935.32 To claim eligibility for Bulk Parcel Return Service at each facility through which the mailer requests Bulk Parcel Return Service, the mailer must demonstrate receipt of 10,000 returned machinable parcels at a given delivery point in the previous postal fiscal year or must demonstrate a high likelihood of receiving 10,000 returned parcels in the postal fiscal year for which the service is requested.

935.33 Payment for Bulk Parcel Return Service is made through advance deposit account, or as otherwise specified by the Postal Service.

935.34 Mail for which Bulk Parcel Return Service is requested must bear endorsements specified by the Postal Service.

935.35 Bulk Parcel Return Service mailers must meet the documentation and audit requirements of the Postal Service.

935.36 Mailers of parcels endorsed for Bulk Parcel Return Service may furnish the recipient a return label, prepared at the mailer's expense to specifications set forth by the Postal Service, to authorize return of opened, machinable parcels at the expense of the original mailer. There is no additional fee for use of the label.

935.4 Other Services

935.41 The following services may be purchased in conjunction with Bulk Parcel Return Service:

	Service	Fee Schedule
a.	Address Correction Service	911
b.	Certificate of Mailing	947
c.	Shipper-Paid Forwarding	936

935.5 Fee

935.51 The fee for Bulk Parcel Return Service is set forth in Fee Schedule 935.

935.6 Authorizations and Licenses

935.61 A permit fee as set forth in Schedule 1000 must be paid once each calendar year by mailers utilizing Bulk Parcel Return Service.

935.62 The Bulk Parcel Return Service permit may be canceled for failure to maintain sufficient funds in an advance deposit account to cover postage and fees on returned parcels, or for failure to meet the specifications of the Postal Service, including distribution of return labels that do not conform to Postal Service specifications.