

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

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OFFICE OF THE SECRETARY

Complaint on Charges for the Bulk Parcel )  
Return Service )

Docket No. C99-4

OFFICE OF THE CONSUMER ADVOCATE  
REPORT ON POTENTIAL FOR SETTLEMENT TO RESOLVE COMPLAINT  
(September 17, 1999)

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The Office of the Consumer Advocate ("OCA") hereby reports on the progress of discussions to explore the potential for settlement of the Continuity Shippers Association ("CSA") complaint concerning the rate for bulk parcel return service ("BPRS").

The Commission notice instituting formal proceedings on the complaint appointed OCA to act as settlement coordinator and allowed the participants and the Postal Service an opportunity to explore the potential for settlement until September 17, 1999.<sup>1</sup> OCA scheduled a technical and settlement conference in the Commission's hearing room for September 14, 1999.<sup>2</sup> The OCA notice indicated that attendees were expected to have individuals present who are

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<sup>1</sup> Order No. 1260, "Order Denying Motion of United States Postal Service To Dismiss Complaint and Notice of Formal Proceeding." Ordering paragraph 4 designated OCA to represent the interests of the general public and to act as settlement coordinator pursuant to Rule 85 of the Commission's Rules of Practice and Procedure.

thoroughly familiar with the BPRS cost study and the characteristics of the BPRS service. The notice also encouraged the sharing of information between CSA and the Postal Service. Inasmuch as only Time Warner Inc. had previously intervened, the notice also stated that all interested persons were welcome to attend but that attendance did not confer party status.

Representatives from CSA, the Postal Service, OCA, **AMMA**, PSA, and UPS attended the **conference**.<sup>3</sup> By agreement of all persons present, the substance of the discussions at the conference are confidential. At the conference, the Postal Service distributed revised BPRS cost information incorporating the Commission's methodologies, which has now been further refined, that was helpful in answering questions raised by the pleadings. The parties engaged in frank, thorough and thoughtful discussion of the issues raised by the CSA complaint, and bilateral discussions have continued since the conference. At present, however, it appears that the parties will not be able to reach a settlement to propose a disposition of the complaint. Discussions concerning the merits of the CSA complaint and approaches to either dispose of or limit issues to be heard by the Commission in the event of hearings are ongoing but, at present, all participants have reserved their positions with respect to the appropriate procedures to be followed in this case.

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<sup>2</sup> Notice of Technical and Settlement Conference to Explore Resolution of Complaint, September 8, 1999.

<sup>3</sup> OCA notes that Postal Service counsel was accompanied by technical staff, and that the participation of knowledgeable personnel contributed significantly to the discussion at the conference.

OCA is encouraging a continuing dialogue between the complainant and the Postal Service with the hope of alleviating the need for hearings on the issues raised by the complaint, pending filing of the forthcoming omnibus Postal Service rate case. OCA will report to the Commission, as appropriate, if the participants reach any stipulations or agreements to limit or defer issues raised by the complaint.

Respectfully submitted,

OFFICE OF THE CONSUMER ADVOCATE



Ted P. Gerarden  
Director

Kenneth E. Richardson  
Attorney

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.



Stephanie S. Wallace

Washington, D.C. 20268-0001  
September 17, 1999