

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

EXPERIMENTAL PARCEL RETURN SERVICES

Docket No. MC2003-2

UNITED STATES POSTAL SERVICE REQUEST FOR EXPEDITION  
AND ESTABLISHMENT OF SETTLEMENT PROCEDURES  
(May 28, 2003)

The United States Postal Service hereby requests that the Commission expedite this proceeding.

The proposed experimental classification change is straightforward and of a limited scope and duration. The Postal Service is proposing a two-year experiment whereby it will test proposed new Parcel Return Services. As is the case with the current Parcel Select service, the new services are targeted toward business-to-residential shippers with volume over 100 parcels per day, but this experiment will focus on merchandise returned from customers to merchants. The return parcels most likely will be picked up at the same facility where they were originally entered (such as a Destination Bulk Mail Center or Destination Delivery Unit). The pricing will reflect costs avoided due to the streamlined processing.

The experimental changes requested are explained fully in the testimony of Postal Service witness Gullo (USPS-T-1), and in the Postal Service's Request. The changes involve additions to the Domestic Mail Classification Schedule and to Rate Schedules 521.2F, 521.2G, and 522E, and Fee Schedule 1000. The proposed changes would have an insignificant effect on the Postal Service's overall volumes, revenues, and costs.

Discussions by the Postal Service with industry representatives indicate widespread support for the proposal, which should have no significant adverse effect on other mailers or competitors. Thus, there is a distinct possibility for settlement. Moreover, these discussions have indicated that if the industry is to take advantage of the new Parcel Return Services for the holiday season in 2003, the changes would need to be in effect by early October of this year.

For all of these reasons, the Postal Service requests that this proceeding be conducted on an expedited schedule. Although the Postal Service does not request a specific schedule, it does suggest a number of procedures that might be followed with the end of facilitating a quick resolution.<sup>1</sup>

First, the Postal Service suggests that a relatively short intervention period be allowed. Essentially all of the affected mailers already are aware of the proposal. Any competitors of the Postal Service who might choose to oppose the proposal are experienced in the Commission's practices and procedures and are able to intervene in a short period of time. Thus, the likelihood of interested parties being unprepared for quick intervention in this proceeding appears low.

Second, the Postal Service suggests that parties be required specifically to request any hearing in their notice of intervention, and, as provided by Rule 67a(b), to identify with particularity any "genuine issues of material fact" that they believe warrant a hearing. If there is no request for a hearing, or if the Commission determines that there

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<sup>1</sup> The Postal Service realizes that Rule 67d requires that a recommended decision be issued *no later* than 150 days from the later of either the filing of the Request or a determination that the case may properly be considered under the experimental rules. The language of this rule clearly allows for a more expedited consideration.

are no germane issues of material fact, then it can dispense with discovery and hearings, as contemplated by Rule 67a.

Third, the Postal Service requests that a settlement conference be scheduled as quickly as possible following the deadline for intervention. Reaching a settlement promptly will obviate most, if not all, subsequent procedural steps.

Fourth, if any discovery is found to be necessary, the time allotted for discovery on the Postal Service's case should be abbreviated. Discovery should be limited to those matters bearing directly on the proposed experimental discounts. The time limits for responding to discovery requests and related objections and motions should be shortened. With only four pieces of testimony, abridged and expedited discovery should not be an issue.

As the case progresses, other procedures may also be eliminated. For example, if there are no hearings and discovery is very light, then there may be no need for any testimony by intervening parties, or rebuttal by the Postal Service. It may also be possible to dispense with briefs and oral argument.

The minimal changes embodied in the Postal Service's Request should lend themselves to an expeditious and uncomplicated review. In light of this, and of the flexibility envisioned by the experimental rules, the Postal Service requests the Commission's assistance in expediting this proceeding.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

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Scott L. Reiter  
Brian M. Reimer

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-2999; Fax -5402  
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