The original documents are located in Box C20, folder "Presidential Handwriting, 5/1/1975 (2)" of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

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FG-295-3

POSTAL RATE COMMISSION Memorandum

C. Chap. Ray some May 1, 1975

TO:

THE PRESIDENT

FROM:

PAUL A. MILTICH Pam

SUBJECT: POSTAL RATE COMMISSION DECISION

We now expect that the Administrative Law Judge will be rendering his Initial Decision in the current rate case about the middle of May. After the I.D. is issued, the Commission will allow 15 days for the filing of briefs on exception, 15 days for reply briefs, and 10 days for oral argument. This would indicate that the Commission's recommended decision would be issued about the end of July.

I know you have been disturbed because it is taking so long for the Commission to render a decision in the current rate case. I estimate that the current case will consume some 674 days between the filing of the Postal Service's rate request on September 25, 1973, and the expected rendering of the Commission's decision on July 30, 1975. You should know that the prehearing and hearing phases of the current rate case required some 452 days to complete -- 218 more days than the same phases in the preceding rate case. This difference in time spells out the "delay" in the current (or second) rate case.

I am informed by members of the Commission staff that rate and classification proceedings before the Commission can only be expedited if the Postal Service does a better job of presenting data on postal costs and revenues to the Commission and if more data is reported by the Postal Service on a regular basis in a format that is easily adaptable to the regulatory process. Such improvements should shorten the time that is now needed for parties to obtain revenue requirement, cost-related and price-related data through the discovery process -- a phase that has contributed significantly to the time consumed by the current case. The inadequacy of Postal Service data reporting has been pointed up by the Kappel Commission and the U.S. Court of Appeals for the District of Columbia.

In any event, the Postal Service will be in a position to file its new rate proposal shortly after the middle of the year and could place the new rates into effect on a temporary basis 100 days after filing. This means the new temporary rates will go into effect either by the end of this year or shortly thereafter.

The Postal Rate Commission hopes to complete the next rate case within 12 months after the new proposal is filed. In the absence of improved reporting by the Postal Service, we may very well resort to "phasing" so that various phases of the case may proceed at the same time and the overall time-frame may be shortened.

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POSTAL RATE COMMISSION Washington, D.C. 20268

Paul A. Miltich
COMMISSIONER

May 1, 1975

Miss Mildred Leonard
Personal Assistant
to the President
The White House
Washington, D.C. 20500

Dear Mildred:

When the President and I talked at the farewell party he gave for me, it was agreed I would send him a memo from time to time to keep him informed about doings at the Postal Rate Commission.

He told me to send the memos to him through you.

The enclosed is the first such memo. Please see that the President gets it directly from your hands. Thank you.

Sincerely,

Paul A. Miltich

Enclosure

THE WHITE HOUSE

May 9, 1975

Trudy:

Jerry had seen the attached when it was sent through our outbox system. Please keep it in your files and let us know when you see examples of things you think we should know about.

Thanks.

Dianna