

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

MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2011

Docket No. N2012-1

**UNITED STATES POSTAL SERVICE ANSWER IN OPPOSITION TO AMERICAN
POSTAL WORKERS UNION, AFL-CIO, MOTION TO COMPEL A MORE
RESPONSIVE ANSWER TO APWU/USPS-T5—6(b)**
(March 13, 2012)

The United States Postal Service hereby opposes¹ the American Postal Workers Union, AFL-CIO, Motion to Compel a More Responsive Answer to APWU/USPS-T5—6(b) (“APWU Motion”) filed on March 9, 2012.² As explained below, the Postal Service provided information responsive to this interrogatory in its responses to subparts b-d of interrogatory APWU/USPS-T4—9. The information sought by the APWU in its motion to compel is not relevant to this docket, and is not necessary for the purposes described in the APWU Motion; thus, requiring the Postal Service to provide an additional response would impose an undue burden on the Postal Service. Accordingly, the APWU Motion should be denied.

It appears that in interrogatories APWU/USPS-T4—9(c-d) and APWU/USPS-T5—6, the APWU sought information regarding the Postal Service’s treatment of equipment and buildings that were associated with closed mail processing facilities.³ In its response to subparts b-d of interrogatory APWU/USPS-T4—9, the Postal Service

¹ In Presiding Officer’s Ruling No. N2012-1/23, the Presiding Officer shortened from 7 days to 2 days the time for the Postal Service to respond to the APWU’s motion to compel.

² American Postal Workers Union, AFL-CIO, Motion to Compel a More Responsive Answer to APWU/USPS-T5-6(b), PRC Docket No. N2012-1 (March 9, 2012) (“APWU Motion to Compel”).

³ Interrogatories of the American Postal Workers Union, AFL-CIO to USPS Witness Frank Neri (APWU/USPS-T4—1-13), PRC Docket No. N2012-1 (December 29, 2011); Interrogatories of the American Postal Workers Union, AFL-CIO to USPS Witness Dominic L. Bratta (APWU/USPS-T5-6), PRC Docket No. N2012-1 (January 27, 2012).

provided the range of actions it applied to both the equipment⁴ and buildings⁵ associated with closed mail processing facilities, and the factors⁶ that influenced these actions.⁷ Although the Postal Service provided responsive information to the APWU's interrogatories, the motion to compel suggests that the APWU was not satisfied with the Postal Service's response and that it claims the Postal Service's information was nonresponsive, or that it infers the response served as an objection.

This case concerns changes proposed in this docket, including changes to mail processing operations, and not mail processing facilities that closed before the initiation of this docket. To the extent the APWU seeks information about past AMPs, its inquiry is not within the scope of the request. Moreover, even if it was, the key issue before the Commission is not the cost of moving equipment from a disabled unit. Rather, the key issue before the Commission under 39 U.S.C § 3661 is whether the proposal at issue here, which involves changes to service standards for First-Class Mail and Periodicals Mail, is consistent with the requirements of Title 39. The APWU apparently confuses this proceeding with the pre-PAEA rate proceedings, where information about postal costs was relevant to the revenue requirement testimony. In sum, none of the information sought by the APWU would elucidate the legal question that has been

⁴ "For excess equipment or equipment from P&DCs that have closed since 2008, the Postal Service has multiple options – relocation, disposal, modification, storage, and/or sale."

⁵ "The Postal Service selected from several options [regarding how to handle buildings associated with closed Processing and Distribution facilities], including sale, lease termination, maintenance for storage or other operations, lease, or vacancy."

⁶ "The Postal Service determines which option(s) to apply to an individual piece of equipment based on equipment life, potential utilization, operational needs, equipment condition, and Postal Service mandates."

⁷ Response of United States Postal Service Witness Bratta to American Postal Workers Union Interrogatory Redirected from Witness Neri to Witness Bratta (APWU/USPS-T4-9), PRC Docket No. N2012-1 (January 12, 2012) ("USPS Response to 9(b-d)").

presented to the Commission, and the Commission should squarely reject the APWU's entreaty to delve into the minutia of postal costs.

The Postal Service provided an informative and sufficient response to subparts b-d of interrogatory APWU/USPS-T4—9, and the APWU presents no persuasive justification for requiring an additional response. The APWU summarily deems as “clearly relevant” its request for more information regarding equipment and buildings at closed mail processing facilities, but its justification does not support this characterization. The APWU Motion focuses on costs related to the equipment and buildings associated with closed mail processing facilities. More specifically, the APWU contends that “[w]hat has happened to past P&DCs and the choices the Postal Service made and resulting costs incurred or revenue created has bearing on what may happen to the equipment and buildings at the facilities at issue in this case, and what costs or revenue can be expected.” APWU Motion at 4. The Postal Service has already explained “what has happened to past P&DCs and the choices the Postal Service made” in its responses to subparts b-d of interrogatory APWU/USPS-T4—9 – equipment has been relocated, disposed, modified, stored, or sold; and buildings have been sold, maintained for storage or other operations, leased, vacated, or had their lease terminated. USPS Response to 9(b-d). The APWU can make assertions regarding “what may happen to the equipment and buildings at the facilities at issue in this case” without knowing how many pieces of equipment or buildings were handled according to each option identified by the Postal Service.

The APWU does not explain how obtaining “a detailed accounting of what happened to the equipment and buildings at each closed P&DC” would contribute to an

assessment of the “costs or revenue ... expected” in connection with the equipment and buildings associated with closed mail processing facilities. If the Postal Service provided specific information regarding buildings and equipment at each closed mail processing facility, this information would provide merely the frequency of each option described in the response to subparts b-d of interrogatory APWU/USPS-T4—9. This information would not reveal “lost investment if the equipment is stored,” the “value per square feet of the space used for storage,” the “cost related to moving the equipment or using it for spare parts,” the “cost associated to the remaining buildings if they cannot be put to another use or sold,” or any other cost information. If the APWU already possesses information regarding these types of costs, the information sought by this motion to compel is not necessary; if it does not have this information, then obtaining the information sought by this motion to compel will contribute nothing to APWU efforts to develop this information. Thus, the information sought by the APWU motion to compel is not relevant to this docket, or to the purposes presented by the APWU in support of its motion.

In addition to its inability to demonstrate relevance, the APWU motion seeks to compel the Postal Service to provide information that would require it to suffer an undue burden. Because the Postal Service does not maintain a centralized database that tracks the equipment associated with each closed mail processing facility, compiling the information requested by the APWU would first require coordination with over 50 people to identify the equipment affected by the closures. After identification of the affected equipment, the Postal Service would need to follow the chain of custody for each piece of equipment by tracking each piece by its serial number. The information sought by

the APWU motion is not relevant to the issues central to this docket, and does not concern the APWU's stated purpose for seeking the information. Accordingly, the burden that the Postal Service would be forced to incur to respond to the APWU motion is not warranted.

Despite the APWU's inability to present a compelling case in support of its request for additional information, in an attempt to spare Commission resources from having to resolve this controversy, without waiving its right to object to any further follow-up discovery, the Postal Service will provide additional information regarding the handling of buildings associated with the facilities identified in the APWU Motion. This measure will give APWU the opportunity to withdraw its motion should such further information satisfy its request. This information will be furnished in a supplemental response that the Postal Service intends to file later this week.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno
Chief Counsel
Global Business & Service Development

James M. Mecone

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260
(202) 268-6525; Fax -5402
March 13, 2012