

ORIGINAL

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

OBJECTIONS OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES FROM
NASHUA/MYSTIC (NM/USPS-66, 67a&c, 68, 69, 71)
(September 16, 1996)

On September 6, 1996, Nashua Photo and Mystic Color Lab (Nashua/Mystic) directed the following interrogatories to the United States Postal Service:

NM/USPS-66-72. For the reasons stated below, the Postal Service objects to the following interrogatories: NM/USPS-66, 67(a) and (c), 68, 69, and 71.

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DOCKET NO.
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NM/USPS-66

This interrogatory follows-up on the Postal Service's August 30, 1996 responses to NM/USPS-28, 29, and 36(b)¹ and requests that the Postal Service provide information which these earlier responses indicate it does not have. The Postal Service objects to NM/USPS-66, because the questions it refers to have been asked and answered.

The Postal Service filed BRM testimony in Docket Nos. R90-1 and R94-1, some of which was admitted to the record in those proceedings. In the absence of any updates, the Postal Service does not know whether any of that testimony

¹ In each of these interrogatory responses, the Postal Service indicated that it has not performed the types of studies or surveys necessary to produce more current information than was provided in Docket No. R94-1.

contains data which could said to be reflective of the current BRM environment which, it seems, should be the appropriate scope of inquiry in Docket No. MC96-3. Nashua/Mystic are free to peruse the Docket Nos R90-1 and R94-1 records (as well as documents filed but not entered in the records of those proceedings) for information which may have been relevant then.

NM/USPS-67(a)

The August 30, 1996, response to NM/USPS-30 states that the Postal Service has not performed the operational survey which would be necessary to collect the information responsive to that interrogatory. Accordingly, the Postal Service objects to interrogatory NM/USPS-67(a), which -- again -- requests that it provide information responsive to NM/USPS-30. The question has been asked and answered.

NM/USPS-67(c)

This interrogatory requests an explanation of "whether Postal Service headquarters approves or keeps track of what happens in the field with regard to BRM." The Postal Service considers this interrogatory to be irrelevant to the BRM proposal Nashua/Mystic have persuaded the Commission to enlarge this proceeding to consider. The interrogatory is in the same vein as NM/USPS-12 and 21, from which the Postal Service was relieved of any obligation to answer by Presiding Officer's Ruling No. MC96-3/10, at page 5 (September 11, 1996).

NM/USPS-68

This interrogatory refers to the Postal Service's August 30, 1996, response to interrogatory NM/USPS-31, and -- again -- asks the Postal Service to identify operational problems, rate complexity issues, and non-cost/fee policy objections relevant to a hypothetical postal service. It also asks the Postal Service to identify the factors that should be considered in determining minimum qualifying volumes for mailer eligibility for that service.

Neither interrogatory NM/USPS-31 nor NM/USPS-68 requests a Postal Service response to a specific classification proposal, such as might be introduced later in this proceeding by Nashua/Mystic.² To the extent that NM/USPS-68 is an attempt to compel the Postal Service to state a position regarding a BRM classification proposal which has yet to be presented in this proceeding, the Postal Service objects and reserves the right to respond to any such specific proposal at the appropriate stage in this proceeding.

NM/USPS-69

As indicated in its August 23, 1996, Response To PRC Order No. 1131, the Postal Service is preparing to undertake a study of Business Reply Mail processing costs as a part of its comprehensive internal management review of Business Reply

² The Postal Service reserves the right to respond to such a proposal should one be put forth by Nashua/Mystic in this proceeding.

Mail. Whether that study will include information responsive to interrogatories NM/USPS-32 and 33 has yet to be determined finally. The Postal Service is presently determining when and when to proceed with the aforementioned study. The Postal Service is aware of its obligation, under 39 C.F.R. § 3001.25(e), to seasonally amend interrogatory responses. However, the Postal Service does not consider that it is under any obligation to project if or when it might seasonally amend an interrogatory response. Accordingly, the Postal Service objects to NM/USPS-69, to the extent that it requests whether the Postal Service has developed a proposal to study or has commenced to study, or has a projected completion date for a study of postal mail processing costs associated with Business Reply Mail received by Nashua and Mystic.

Moreover, this interrogatory, with its reference to December 6, 1996, clearly is intended to determine the nature and scope of any rebuttal testimony the Postal Service may file in this proceeding. The scope or nature of any rebuttal testimony cannot be determined until the Postal Service has reviewed intervenor direct testimony and explored the possibility of engaging in written and oral cross-examination. In any event, the Postal Service does not consider that it is obligated to state at this time what the content of any rebuttal testimony might be or what steps are being taken to prepare such testimony. To the extent that this interrogatory seeks to determine what information may be included in or prepared in connection with rebuttal testimony which might be filed in this proceeding, it is objectionable.

NM/USPS-71

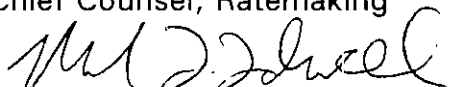
This interrogatory asks whether the Postal Service is developing information which would be further responsive to interrogatories NM/USPS-34 and 35. The Postal Service filed responses to these interrogatories on August 30, 1996. For the reasons stated in reference to NM/USPS-69, the Postal Service finds this interrogatory objectionable as well.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

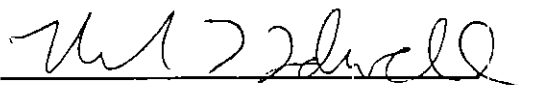


Michael T. Tidwell

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September 16, 1996

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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