

005930 ORIGINAL

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

RECEIVED
Nov 21 4 46 PM '96
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

SUPPLEMENTAL FILING OF UNITED STATES POSTAL SERVICE CONCERNING
NOVEMBER 14 MOTION TO STRIKE
(November 21, 1996)

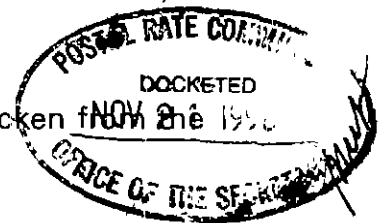
The United States Postal Service hereby supplements its Motion to Strike Testimony of Witnesses Bentley and Thompson, or, in the Alternative, for Production of a Commission Witness, filed November 14, 1996. This supplemental filing specifies those portions of Office of the Consumer Advocate ("OCA") witness Thompson's written testimony, interrogatory responses and oral cross-examination which the Postal Service requests stricken from the record, pursuant to the Presiding Officer's ruling contained at Tr. 5/1337.

The Postal Service moves that the following references be stricken from the record:

Tr. 5/1406, the first full paragraph, beginning with "The following discussion refers to OCA-LR-6, page 4" through Tr. 5/1407, ending with "Bringing these cost coverages "in line" with the Commission's Docket No. R94-1 recommendations could require each to have a rate increase."

Tr. 5/1408, the quoted paragraph from the response to USPS/OCA-T400-21, beginning "For example, consider all cost coverage variances greater than 10 percentage points."

The Presiding Officer also ruled that the Postal Service should provide "sufficient explanation" of "the link between the witness's testimony and the grounds for exclusion...." Tr. 5/1337. The first reference cited above contains a number of cost coverages from page 4 of OCA-LR-6, which were derived using



- 2 -

base year attributable costs from PRC-LR-2. The second reference merely quotes a part of the material contained in the first reference. PRC-LR-2 is a library reference, which under Special Rule 5 "is not evidence unless and until it is designated and sponsored by a witness." PRC-LR-2 contains a costing methodology which has not been sponsored by a witness and has not been subject to full scrutiny on the record as is required by due process.

Accordingly, the Postal Service's November 14 motion to strike or, in the alternative, for production of a Commission witness must be granted.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Susan M. Duchek

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2990; Fax -5402
November 21, 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.



Susan M. Duchek

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
November 21, 1996