

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

OBJECTION OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE DIRECT MARKETING ASSOCIATION
TO WITNESS TAYMAN
(DMA/USPS-T9-28)
(February 24, 2000)

The United States Postal Service hereby objects to interrogatory DMA/USPS-T9-28. This interrogatory seeks "any studies, information, or data the Postal Service has on market value of individual pieces of real estate." This interrogatory seeks information that is irrelevant, that would be burdensome to produce, and that could be commercially sensitive.

The information sought is irrelevant, since the market value of postal properties has no effect on the revenue requirement of the Postal Service. The revenue requirement, which is based on Postal Service costs developed according to generally accepted accounting principles and audited to ensure their compliance with those principles, includes depreciation expenses based on the cost of the property and its useful life. Market value has no relevance in determining these expenses.

The postal service has over 27,500 leased facilities and 7,500 owned facilities. Most of these facilities do not have files which contain "studies, information, or data" on the market value of that facility, let alone the current market value. While the market value of the underlying land might be available on properties acquired to determine appropriate purchase price at the time of acquisition, an effort to research over 35,000 properties to attempt to respond to a broad request such as this would be extremely

burdensome. In light of the lack of relevance of the information sought, there is no justification for engaging in such an effort.

There information requested might be available in the case of surplus properties in the process of sale or development. That information, however, is commercially sensitive and therefore privileged. It would have great value to potential buyers, lessors, or developers, during the marketing, negotiating and sale process.

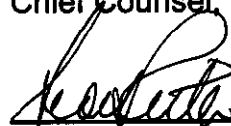
For these reasons, the Postal Service objects to the interrogatory.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Scott L. Reiter

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.



Scott L. Reiter

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February 22, 2000