

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

**UNITED STATES POSTAL SERVICE  
OBJECTION TO INTERROGATORIES OF ASSOCIATION OF ALTERNATE  
POSTAL SYSTEMS DIRECTED TO WITNESS MOELLER  
(AAPS/USPS-T35—9-10)**

The Postal Service objects to interrogatories AAPS/USPS-T35—9-10, filed by the Association of Alternate Postal Systems on February 23, 2000.

Grounds for objection for each interrogatory are presented separately below.

***Interrogatory AAPS/USPS-T35-9.*** Interrogatory 9 asks witness Moeller for copies of updates of the Strategic Analysis, Inc. (SAI) study conducted on alternative delivery since the close of the record in the last omnibus rate proceeding. The Postal Service objects to this interrogatory on grounds of relevance, deliberative process privilege, and commercial sensitivity. Discovery related to prior versions of this report led to protracted motions practice in Docket Nos. MC95-1 and R97-1. In Docket No. R97-1, the Presiding Officer directed the Postal Service to produce a copy of the report under the protective conditions attached to P.O. Ruling No. R97-1/46. The Postal Service sought clarification of that motion, and in P.O. Ruling No. R97-1/52, the Presiding Officer amended the certifications accompanying the protective conditions and also made clear that the Postal Service could redact SAI researchers' comments and conclusions on, and analysis and/or interpretation of, the underlying factual data, and company and product names of alternative delivery providers. AAPS sought

reconsideration of P.O. Ruling No. R97-1/52, which was denied in P.O. Ruling No. R97-1/60.

The Postal Service reiterates that the factual information in SAI reports on alternative delivery does nothing to inform the rate and classification proposals at issue in this proceeding. The information is proprietary and commercially sensitive, and the information is an input to the decisionmaking process and is therefore subject to protection under the deliberative process privilege.

Nevertheless, the Postal Service does not wish to engage in needless motions practice in this instance, particularly given that Commission precedent in P.O. Ruling Nos. R97-1/46 and -1/52 provided that a prior version of this report had to be produced in the last omnibus rate proceeding. Thus, without prejudice to its right to object to the production of any other proprietary market research, the Postal Service is prepared to stipulate to the production of the most recent version of the SAI report on alternative delivery under protective conditions specified in, and in redacted form under, a ruling of the Presiding Officer identical to P.O. Ruling No. R97-1/52.

***Interrogatory AAPS/USPS-T35—10.*** Interrogatory 10 asks the Postal Service for any studies of competition from the private sector for carriage of saturation advertising matter. The Postal Service objects to this interrogatory on grounds of overbreadth, relevance, deliberative process privilege, and commercial sensitivity. The Postal Service has identified one document responsive to this request. It consists of a short assessment of a single private entity operating in two local geographic markets in the United States. The Postal

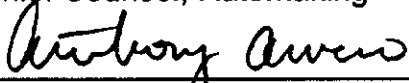
Service reiterates that the contents of this assessment do nothing to inform the rate and classification proposals at issue here, particularly given the narrow geographic and company-specific focus of the report. It is clearly irrelevant. The discovery request amounts to nothing more than a fishing expedition for proprietary market research information. Moreover, the report contains commercially sensitive local market and competitor analysis as well as predecisional recommendations of researchers, which are privileged as provided in P.O. Ruling No. R97-1/46, -1/52, and -1/60.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

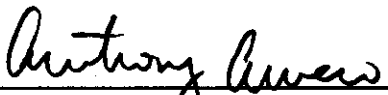
By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
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Anthony Alverno  
Attorney

#### 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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