

BEFORE THE
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

DOCKET NO. R2000-1

MOTION OF UNITED PARCEL SERVICE TO COMPEL
PRODUCTION OF INFORMATION REQUESTED
IN INTERROGATORY
UPS/USPS-T16-4 TO WITNESS DEGEN
(March 16, 2000)

Pursuant to Sections 26(d) and 27(d) of the Commission's Rules of Practice, United Parcel Service ("UPS") hereby moves the Presiding Officer to order the United States Postal Service ("Postal Service") to answer interrogatory UPS/USPS-T16-4, filed on February 23, 2000. A copy of this interrogatory is attached hereto as Attachment A. The Postal Service filed an objection to this interrogatory on March 3, 2000 ("Objection").

UPS submits that the requested information is highly relevant to an analysis of the accuracy of the Cost and Revenue Analysis report, and can be provided without injury to the Postal Service's competitive interests.

THE DISCOVERY REQUEST

Interrogatory UPS/USPS-T16-4 requests that the Postal Service provide a version of the IOCS data file which includes variables that were dropped from the IOCS data file and which the Postal Service did not use in developing the CRA report. On March 3, 2000, the Postal Service objected to this interrogatory on the basis that the information is irrelevant and, in addition, is commercially sensitive. Objection, at 1.

ARGUMENT

1. The Requested Information is Reasonably Calculated to Lead to the Discovery of Admissible Evidence Concerning the Accuracy of the CRA.

The Postal Service asserts that the dropped variables is not relevant to this rate case. Objection, at 1. The Postal Service argues that the dropped variables are irrelevant because the Postal Service did not use those variables in developing the CRA. Id.

But it is not up to the Postal Service to decide unilaterally whether certain information it has collected as part of the IOCS data file is or is not useful in assessing the accuracy of the CRA. While certain information may not have been used in fact, perhaps it should have been used. The data were collected for a reason. The Commission and the parties should have the opportunity to make that judgment themselves, and, of course, to give reasons supporting the judgment they make.

The IOCS sampling system produces cost estimates for in-office employee activities, including "handling mail." IOCS data is used to develop the costs that are included in the CRA report. The CRA report in large part drives the rate structure. Therefore, the characteristics of all IOCS data files are highly relevant to assessing the accuracy of the end results of the CRA report.

UPS is narrowing its request to the deleted variables listed below; these variables are drawn from USPS-LR-I-12 and are described in the column "Field Description" in this table:

SAS Name	Question	Field Description	Value Description	Values	# bytes	From	to
F9234		1st Optional Remark Code	15_,16_,18_,19_,21_,22_,23_,25A, 27, or EXP		3	657	659
F9235		1st Optional Remark		As Recorded	52	660	711
F9236		2nd Optional Remark Code	15_,16_,18_,19_,21_,22_,23_,25A, 27, or EXP		3	712	714
F9237		2nd Optional Remark		As Recorded	52	715	766
F9238		3rd Optional Remark Code	15_,16_,18_,19_,21_,22_,23_,25A, 27, or EXP		3	767	769
F9239		3rd Optional Remark		As Recorded	52	770	821
F9473		4th Optional Remark Code	15_,16_,18_,19_,21_,22_,23_,25A, 27, or EXP		3	822	824
F9474		4th Optional Remark		As Recorded	52	825	876

These missing variables consist of the data collectors' comments on why mixed mail was not counted and why the top piece rule was not applied. Knowledge of the dropped variables -- i.e., the reasons why certain mail was not counted and why the top piece rule was not applied -- may allow the Commission to better understand the composition of mixed mail and may improve understanding of the proper development and application of distribution keys.

In short, the information in the omitted variables could well provide invaluable insight into why mixed mail items were not counted, and why the data collector would not, could not, or did not apply the top piece rule. The absence of variables in a data file generated from a sampling system can be nearly as important as the inclusion of certain variables from the sampling system. Because the IOCS data set is integral to the development of the CRA, the structure and composition of the full IOCS data set is important relevant information.

Accordingly, the Postal Service's objection should be overruled.

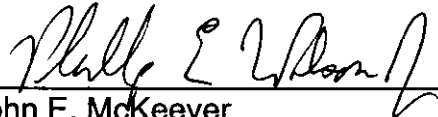
2. The Requested Information Is Not Commercially Sensitive.

The Postal Service's second basis for objecting to this interrogatory is that "the information identifies individual employees and facilities, and also includes detailed international data. Thus, in addition to being irrelevant, all three types of information are commercially sensitive." Objection, at 1.

UPS is narrowing its request to exclude information on personnel or on facility identification, and to exclude data regarding international mail -- information which apparently is encompassed within the original request, but which UPS did not intend to request. The variables UPS is requesting are nothing more than the comments of data collectors and are unlikely to contain facility or employee specific information. In any event, the identity of the postal employees who collected the data -- which is of no interest to UPS -- is not confidential information. See, *National Western Life Ins. Co. v. United States Postal Service*, 512 F. Supp. 454 (N.D. Tex. 1980).

WHEREFORE, United Parcel Service respectfully requests that the Postal Service's objection to Interrogatory UPS/USPS-T16-4 to Postal Service witness Degen be overruled, and that the Postal Service be ordered to produce the information requested in that interrogatory.

Respectfully submitted,



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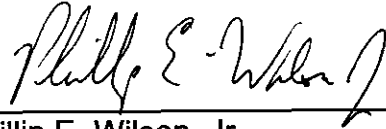
and

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Of Counsel.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Commission's Rules of Practice.



Phillip E. Wilson, Jr.
Attorney for United Parcel Service

Dated: March 16, 2000
Philadelphia, Pa.

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