

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

OPPOSITION OF UNITED STATES POSTAL SERVICE  
TO MPA MOTION TO COMPEL ANSWERS TO  
INTERROGATORIES MPA/USPS-T13-6, 7, 10, 12, 14, 17, 19, 45-47, 50 AND 56  
TO WITNESS RAYMOND  
(March 17, 2000)

On February 17, 2000, the Magazine Publishers Association of America, Inc., (MPA) filed interrogatories MPA/USPS-T13-6, 7, 10, 12, 14, 17, 19, 45-47, 50 and 56 to witness Raymond. Interrogatory 6 requests a description of all techniques used to develop methods and time studies mentioned tangentially in witness Raymond's testimony. Interrogatory 7 requests a copy of the methods analysis and time values for standards developed during the Raymond study and an indication of methods used. Interrogatory 10 requests a description of the activities performed by each member of the two-person data collection team during a complete data collection shift. Interrogatory 12 requests a copy of a pilot study report thought to have been produced by witness Raymond. Interrogatory 14 requests the witness to identify any data used by him during the preparation of his testimony that was not collected by a full-time employee of Resource & Process Metrics, Inc., the identity of the individuals who performed the collection, and the company or organization that such individuals are affiliated with. Interrogatory 17 requests all work plans, data collection sheets, approach/methods, and process review documents or reports prepared for, or in connection with, both Phase 1 and Phase 2 of witness Raymond's study. Interrogatory 19 requests copies of all requests and other materials provided to the regions, with respect

to site selection for both Phase 1 and Phase 2. Interrogatories 45, 46, 47 and 50 request any records relating to changes in data that were made or requested, or requested but not made, in the course of witness Raymond's study. Interrogatory 56 requests, as to each route/day, the total time and total tallies collected.

The Postal Service filed objections to these interrogatories on February 28, 2000, on a number of grounds, including burden, relevance, overbreadth, and that provision of the data would require the disclosure of confidential information. The Postal Service further contended that many of the requested documents could contain sensitive information that would if disclosed compromise future negotiations between the Postal Service and its labor unions, and that some of the information sought is commercially sensitive insofar as it would provide to competitors of the Postal Service valuable information regarding efficient materials handling practices.

On March 10, 2000, MPA moved to compel production of the requested information. Before discussing the actual information requested, MPA contends that because of the significant cost impacts resulting from use of Engineered Standards/Delivery Redesign (ES) data in this case, and what MPA contends are apparent defects in the study, the parties must be provided with "a full opportunity to review the design, methodology, procedures, data collected, conclusions and subsequent reliance or failure to rely on those conclusions of the Survey, as sought by MPA." MPA Motion at 1-5. Contending that the Postal Service seeks to unfairly shield its data from scrutiny, MPA raises the spectre of a potential motion to strike on due process grounds. *Id.* at 6.

The Postal Service hereby opposes the motion to compel. A review of the particular information requested, the Postal Service's concerns regarding its provision, and potential means by which the concerns of both the Postal Service and the inquiring intervenors may be accommodated should allow the Presiding Officer to avoid the precipitous and dire circumstances to which MPA alludes. The Postal Service is

confident that if due consideration is given to the nature of the information sought and the unique circumstances involved in its production can lead to a fair and reasonable resolution of this dispute.

### **Background**

As with a similar recent dispute concerning ES data information sought by Advo, a fair resolution can only be reached if due regard is given to the history and nature of the data sought. This contextual information is important to understanding the type of information at issue, the Postal Service's concerns regarding provision of certain types of ES documentation, and to evaluate the claims of MPA and others that it is the intention of the Postal Service to avoid scrutiny of the ES study by withholding information needed to test its reliability.

As the Postal Service has acknowledged on prior occasions, the ES study was intended to be a comprehensive study of a very wide variety of factors affecting city delivery carrier operations, with the objective of developing work methods and standards which could, if adopted by the organization, significantly improve the efficiency of those operations. The Postal Service freely admits that the study was not designed to produce information in the manner and format traditionally presented in omnibus rate proceedings, and included observations of a wide variety of variables, such as weather conditions, carrier weight and length of reach, etc., that have no relevance to the matters at issue in this case. Furthermore, much of the documentation produced concerned not typical carrier operations as recorded in the field, but a number of hypothetical scenarios and projections of efficiency gains under alternative work methods and standards which have not been implemented, and may not be implemented, throughout the Postal Service.

Because the conduct and results of the ES study were prepared in anticipation of potential future consultation and negotiation with the affected postal labor unions, it is

clear that premature public disclosure of the information would compromise the position of the Postal Service in those future endeavors. Furthermore, because the comprehensive observation of carrier operations and the detailed engineering analyses of those work methods would be of obvious interest to competitors of the Postal Service engaged in the handling and delivery of various materials to households and businesses, the Postal Service has maintained the documentation of the study in strict confidentiality.

A limited exception to this confidentiality was made in the interest of advancing the accuracy and fairness of postal costing before the Commission. As stated by witness Baron, the Postal Service's use of ES data in this proceeding is directly responsive to a recommendation contained in the April, 1999, A. T. Kearney Study that operational data on carrier operations from this project be considered for use in the Postal Service's city carrier cost analyses. USPS-T-12 at 33, note 43. See also A. T. Kearney, *Data Quality Study, Technical Report #4: Alternative Approaches for Data Collection*. After a period of time devoted to examination of this operational data for possible use in updating the Cost Segment 7 analysis historically used in rate proceedings, a decision was made by Postal Service management, on November 19, 1999, to incorporate the data in the rate filing then being prepared. As witness Baron has explained, the data offer significant advantages over the 1986 STS data used in recent rate cases, not the least of which is its ability to reflect the significant changes in the delivery environment that have occurred in the years following the 1986 data collection. As witness Baron notes, "the ES data set provides the best available source of observations describing what city carriers do in today's operating environment, how they perform each function, and what proportions of street time are devoted to the individual tasks." USPS-T-12 at 33.

Prior to the time the decision was made to employ a portion of ES data in the upcoming rate case, however, the ES project had been abruptly suspended, and the

extensive records produced had been summarily placed in storage at a location some distance from Postal Service headquarters. Because of the abrupt suspension, the records were not catalogued, ordered, and archived in such a manner as to make them readily usable. The limited amount of data required by witness Baron to update the STS study, however, could be retrieved from electronic files retained separately by witness Raymond, and was so retrieved, in time for incorporation in the Postal Service's direct case. Furthermore, in the days leading up to the filing of the case, both witness Raymond and witness Baron were able to produce extensive documentation illuminating the data provided to witness Baron, and the nature of its use in this proceeding.

Following the filing of the Postal Service's request, and, in coordination with the heavy demands placed on witnesses Raymond and Baron during the discovery period, witness Raymond has made repeated trips between his residence in Ohio and the Washington, DC area to retrieve the extensive ES documentation from storage, review the records retrieved, and order them such that they once again comprise systematic groupings of documentation. While this effort was underway, the Postal Service hosted a technical conference featuring both witness Raymond and witness Baron. This *voluntary* technical conference, which took place on February 14, 2000, was the earliest technical conference scheduled by the Postal Service, hardly indicative of a desire to shield the ES study from scrutiny.

#### **The Discovery Requests at Issue**

The Raymond/Baron technical conference spurred the filing of discovery requests by a number of parties directed at the ES study, including interrogatories filed by UPS, MPA and Advo. Pending the completion of the efforts underway by witness Raymond to recompile his extensive documentation, the Postal Service had preliminarily identified a number of confidentiality and commercial sensitivity concerns relating to documents potentially responsive to various interrogatories. Some, but not all, of these concerns

stemmed from the fact that information relevant to the Postal Service's use of ES data in this case appeared often to be intertwined with large amounts of other irrelevant information, and with information that is confidential and commercially sensitive. With respect to the pending interrogatories, including the MPA interrogatories now at issue, the Postal Service had no choice but to raise its concerns at the appropriate times, in the form of objections to certain requests. At the same time, the Postal Service and its witness have continued to review the recompiled documentation to refine its objections and possibly to produce additional documentation.

Contrary to MPA's allegations, the course of events outlined above does not support the claim that the Postal Service's goal is to prevent scrutiny of an important study.

The Postal Service's effort to recompile the ES documentation has made substantial progress since the filing of its objections to the MPA interrogatories. Because of this increased access to the records in question, the Postal Service stands in a better position to articulate its concerns, offer to provide additional information, and suggest appropriate means of resolving this dispute.

### **Interrogatory 6**

Interrogatory 6 for a description of all techniques used to develop methods and time studies mentioned in witness Raymond's testimony. The Postal Service objected to this interrogatory on grounds of relevance and scope, and because it fears the disclosure of commercially-sensitive business information. The Postal Service remains concerned that, interpreted broadly, the scope of this question could encompass matters beyond those necessary to understand the limited use of ES data by witness Baron, and the reliability of that data as used. However, after having reviewed the interrogatory, the available information, and recent rulings of the Presiding Officer, the Postal Service is willing to attempt to craft a responsive answer that does not unduly

threaten its commercial interests. Thus, in a spirit of openness and cooperation, the Postal Service is now prepared to provide an answer to the interrogatory over its objection.

### **Interrogatory 7**

The Postal Service objected to interrogatory 7, for reasons of overbreadth, relevance and commercial sensitivity. This question, which requests a copy of "the methods analysis and time values for standards" developed during the Raymond study and an indication of methods used, is framed somewhat ambiguously, and appears to ask the witness to provide documents summarizing his methods and resulting time standards in conducting the ES analysis. A similar request posed by UPS was narrowed to request a final, or near-final report, and the Postal Service recently has been directed to provide such a report under protective conditions pursuant to Presiding Officer's Ruling No. R2000-1/15. In its ongoing examination of existing ES documentation, the Postal Service has identified 13 binders holding hundreds of interim reports, as well as other loose reports that could arguably contain information responsive to this vague request. The limited time allowed for a response to the MPA motion has not been sufficient for a the Postal Service to produce a listing of all such reports, their contents, and all objections applying thereto, and, if provided here, could itself disclose confidential, commercially sensitive information. The Postal Service respectfully submits that rather than requiring the Postal Service to comb through these documents and attempting to discern which might be responsive, and create voluminous library references under protective conditions, a better starting point would be for MPA to seek access to the material to be provided in response to Ruling 15. In the meantime, the Postal Service, over objection, has offered to produce, under protective conditions, a listing of reports pursuant to Advo interrogatory 2. If the Presiding Officer agrees to proceed in this way, MPA could use the list provided to more narrowly target its

discovery, and save all concerned the necessity of copying and reviewing large volumes of material unnecessarily. If necessary, and deemed a more economical means to resolve this dispute, the Postal Service would be willing to produce the 13 binders and other reports for in camera inspection by the Commission. The Postal Service requests, however, that access to any such reports ordered to be produced as a result of these procedures be subjected to strict protective conditions.

**Interrogatory 10**

Interrogatory 10 seeks a detailed description of data collector activities. This question was not limited to data collection activities related to the collection of data used by the Postal Service in this proceeding. Thus, the Postal Service objected on grounds of relevance, and overbreadth. The Postal Service was also concerned that confidential, commercially sensitive information would be implicated by the question. After having considered the matter further, the Postal Service believes that a responsive answer can be crafted without undue harm to its interests. Therefore, over objection, the Postal Service is willing to provide an answer to this interrogatory.

**Interrogatory 12**

Interrogatory 12 requests a copy of a hypothetical pilot study report whose existence has been inferred by MPA from lines 20-22 of page 6 of witness Raymond's testimony. After review of the referenced portion of the testimony and the existing documentation, the Postal Service has determined that no such report was created. Since a response to this effect is without harm to the Postal Service, the objection to this question is withdrawn.

**Interrogatory 14**

Interrogatory 14 requests the witness to identify any data used by him during the preparation of his testimony that was not collected by a full-time employee of Resource & Process Metrics, Inc., the identity of the individuals who performed the collection, and



the company or organization that such individuals are affiliated with. The Postal Service objected to this interrogatory as overbroad, in that it seeks irrelevant personal names and other information of no relevance to this proceeding. The provision of such detailed personal information has not been the usual practice before the Commission, and no such specific requirements appear in its rules. The MPA interrogatory also proceeds from an unproven and questionable premise, that the employment status of individual data collectors is determinative of the reliability of their data collection functions. MPA claims merely that part-time employees "might lack sufficient training." MPA Motion at 12. This argument does not support compelling an answer to this question. If MPA seeks details of the training of all types of data collectors used in the ES study, focused questions on that issue can be directed to the Postal Service. Because of these defects, the Postal Service continues to object to this interrogatory.

**Interrogatory 17**

Interrogatory 17 requests all work plans, data collection sheets, approach/methods, and process review documents or reports prepared for, or in connection with, both Phase 1 and Phase 2 of witness Raymond's study. The Postal Service objected to this interrogatory as overbroad, and on the ground that it would require the production of proprietary, commercially sensitive information, which, if disclosed, could harm not only the commercial interests of the Postal Service, its contractors and subcontractors, but could also compromise the position of the Postal Service in future labor negotiations. . and on the ground of undue burden.

The extreme breadth of the question is apparent on its face. In the course of the Postal Service's review of existing ES documentation, the Postal Service has identified many hundreds of thousands of pages of documents potentially falling within the scope of this question. Attached to this Opposition are digital photographs and descriptions of such documentation. The first such group consists of 93 binders of field data reports,

reports which not only show the data uploaded from the field on each day of data collection, but also containing annotations detailing requested data edits, and the implementation of data edits. The Postal Service maintains that the confidentiality of this information is vital to the success of any future labor negotiations involving the ES study data. Furthermore, to the extent geographically specific information on carrier operations would be revealed, the Postal Service objects to provision to its competitors. Finally, to the extent that information pertinent to and revealing of particular mailings by particular mailers, such as ADVO or periodicals publishers would be revealed, the Postal Service very much doubts that these mailers would wish such information to be disclosed. The Postal Service, in its objections and in consultation with counsel for MPA, has suggested that perhaps a random or representative sampling of these documents, redacted to protect confidential information, could be produced to illuminate the process used to collect and verify study data. MPA rejects this approach on the grounds that it would require the parties and the Commission to trust the validity of the selection process used to produce the sample.

Next are 89 binders containing sets of management reports printed in the field showing distributions of collected data for each day studied. The observers viewed these reports to help them identify possible data collection problems. Each set was to be initialed by the team to indicate they reviewed the reports. These were mailed in with the rest of the field data set. These sets contain route-specific time study and work sampling data, as well as volume information by shape, special services, they also contain facility specific identifiers as, observer identifiers corrections and edits. The Postal Service maintains that the confidentiality of this information is vital to the success of any future labor negotiations involving the ES study data. Furthermore, to the extent geographically specific information on carrier operations would be revealed, the Postal Service objects to provision to its competitors. Finally, to the extent that information

pertinent to and revealing of particular mailings by particular mailers, such as ADVO or periodicals publishers would be revealed, the Postal Service very much doubts that these mailers would wish such information to be disclosed.

Next are 120 three ring binders containing the final edited study data, as well as a number of facility-specific, route-specific and state-specific management reports generated during the study. Again, this confidential information was prepared for, and is vital to, future labor negotiations over improved carrier methods. Furthermore, to the extent geographically specific information on carrier operations would be revealed, the Postal Service objects to provision to its competitors. Finally, to the extent that information pertinent to and revealing of particular mailings by particular mailers, such as ADVO or periodicals publishers would be revealed, the Postal Service very much doubts that these mailers would wish such information to be disclosed.

Next come 35 boxes full of reports pertaining to the test implementation of potential future work method improvements and time standards under development in the ES study. Not only does the Postal Service continue to maintain that such tests of potential improvements not relate to the actual carrier data used by the Postal Service witnesses in this case, but this information contains all of the confidentiality and sensitivity concerns previously described.

Next are 47 binders containing additional Operations Performance Assessment System Reports associated with the testing of potential future carrier methods improvements. The same concerns apply to this set.

The Postal Service has undertaken preliminary procurement analysis of the burden of providing copies of this documentation. Even using GSA rates, the equipment, labor and materials costs of producing this bulk of information in the form of library references is estimated to run somewhere between one hundred and two thousand dollars. The time to produce the information is estimated to run from three to four weeks.

Given the volume of material involved, it should also be apparent why it has not been possible to provide document-specific descriptions and objections for all of this material. Moreover, given the burden of production, as well as the commercial sensitivity and relevance concerns already expressed, it also should come as no surprise that the Postal Service seeks to avoid the production of all of this material. The Postal Service believes that the record of this case would not be well-served by infusion of this mass of documents into the Commission's docket section.

Nevertheless, in a spirit of openness and cooperation, the Postal Service is willing to make these documents available to the Commission for confidential in camera inspection, in the hope that a reasonable alternative to total production can be devised. However, the Postal Service reiterates that any production of this information must be conditioned on strict protective conditions.

**Interrogatory 19**

The Postal Service also objected to interrogatory 19, which requests copies of all requests and other materials provided to the regions, with respect to site selection for both Phase 1 and Phase 2. After having further reviewed the existing documentation, the Postal Service is willing to withdraw its objection and provide a response to this question.

**Interrogatories 45, 46, 47 and 50**

The Postal Service also objected to interrogatories 45, 46, 47 which request any records relating to changes in data that were made or requested, or requested but not made, in the course of witness Raymond's study. As discussed above, the Postal Service has identified 93 binders full of information potentially responsive to these questions. As previously discussed, the Postal Service maintains the validity of its objections to this material. However, as discussed above, the Postal Service is willing

to make the material available to the Commission for confidential, in-camera inspection in order to bring about a prompt and fair resolution to this dispute.

**Interrogatory 56**

Finally, the Postal Service objected to interrogatory 56, which requests, as to each route/day, the total time and total tallies collected. Although still concerned about the relevance of this information to the data collected and later used by Postal Service witnesses in this case, upon further review of the available study documentation, the Postal Service is now willing to provide a response to this question.

Respectfully submitted,

**UNITED STATES POSTAL SERVICE**

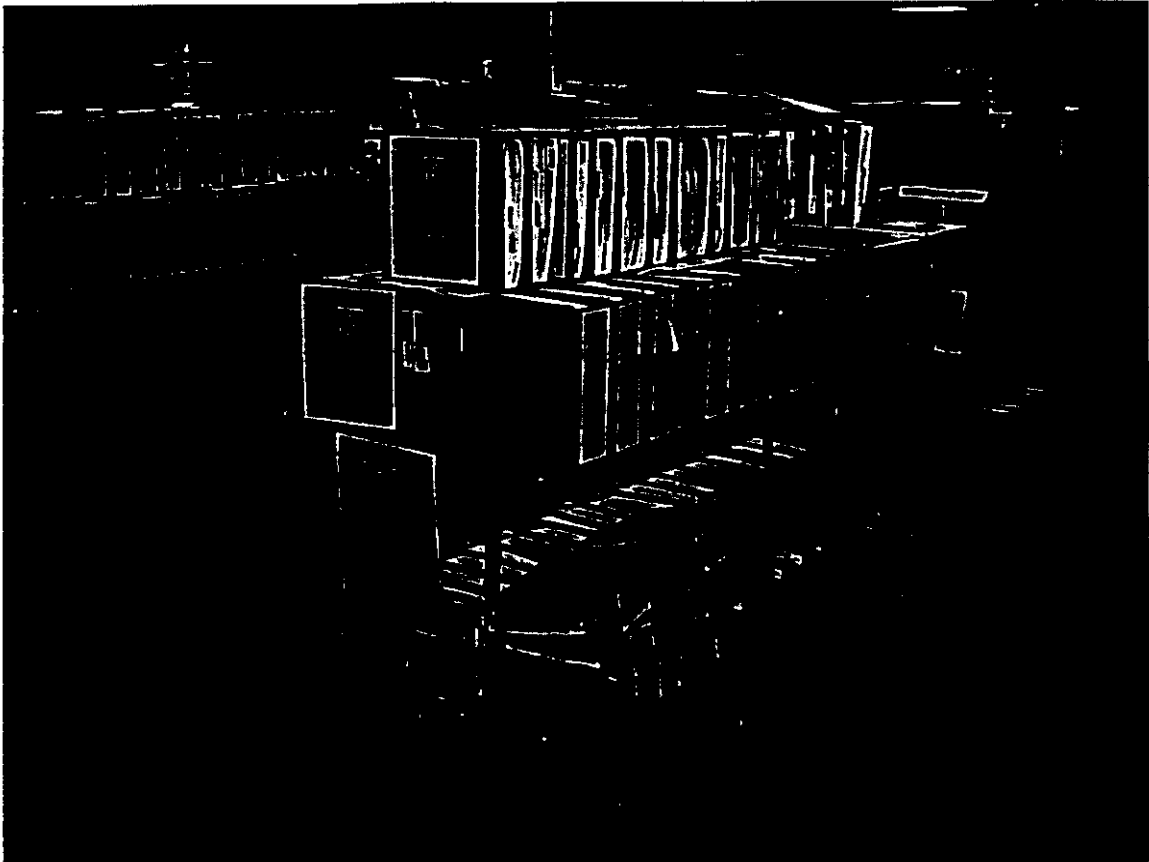
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## Field Data Set



### Contents of 93 three ring binders:

1. Reports of the Work Sampling scans
2. Reports of the Time Study Scans
3. Reports of the Event – Quantity Data scans (contains data on age, gender of carrier, weather conditions, as well as volume information by shape, special services, and mailer, such as ADV0/detached label cards.)
4. Daily Comments Logs (comments of data collectors)
5. Case Layout - Carrier In-Office Work Station Data
6. PS Form 3999X Route-specific route information, Plus copy of Red Book Route Maps

These binders contain the raw data from the field, as transmitted before edits. Also contains suggested edit comments from the field, and edit trail of edits made by database administrators. This information is redundant of that contained in the 63 Raw Data binders.

## Field Management Reports

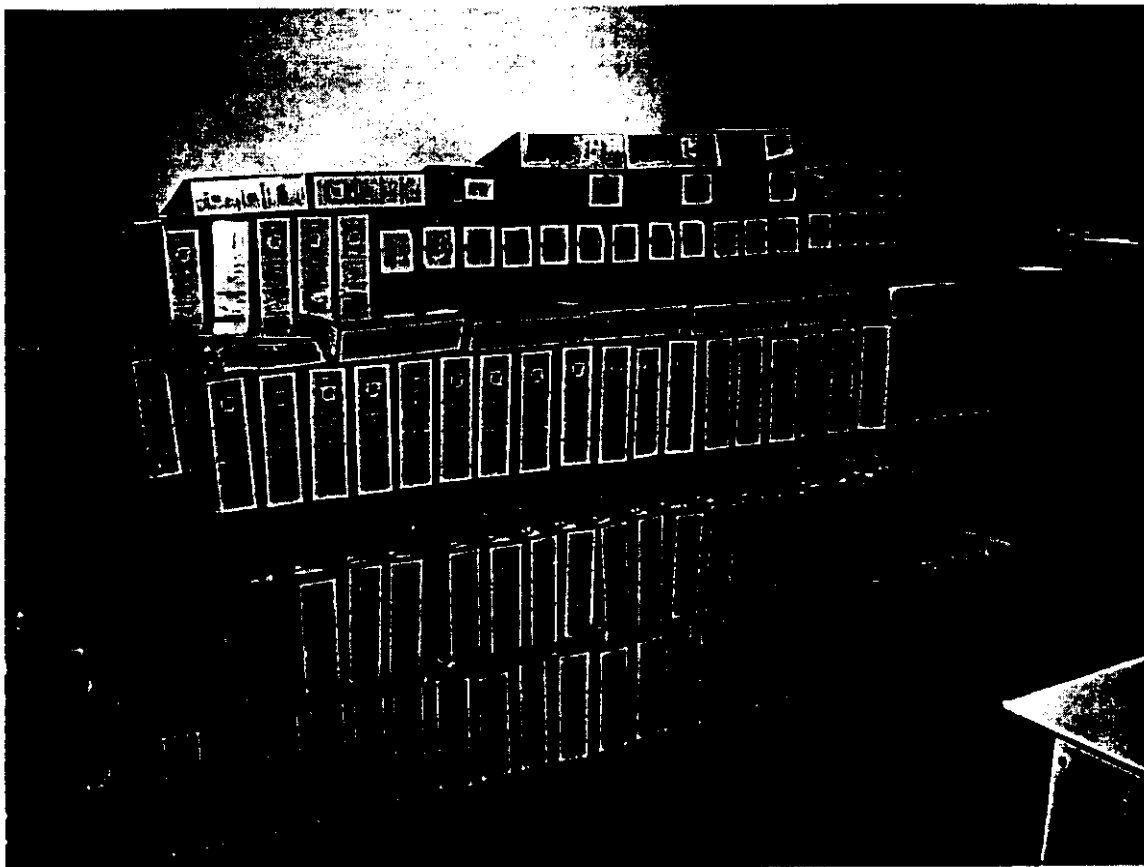


### Contents of 89 three ring binders:

Sets of management reports printed in the field showing distributions of collected data for each day studied. The observers viewed these reports to help them identify possible data collection problems. Each set was to be initialed by the team to indicate they reviewed the reports. These were mailed in with the rest of the field data set.

Contains route-specific time study and work sampling data, as well as volume information by shape, special services. Contains facility specific identifiers as, observer identifiers.

## Final Data Set



Contents of 120 three ring binders:

1. Work Sampling Management Reports by State
2. Work Sampling Management Reports by Unit
3. Work Sampling Management Reports by Route

These distributions of collected data reports were produced from the final edited database. Contains State, facility and route specific information.



## Route Adjustment



### Contents of 35 Boxes:

1. Before reports that identify the workload level on the routes based on the engineered standards, USPS Address Management and DSIS data, and physical criteria data on the route: paces, miles, delivery point type, doors, gates, etc.
2. After reports and the new Unit route configurations, route maps.
3. There are also a number of large Unit route maps.

## Operations Performance Assessment System (OPAS) Reports

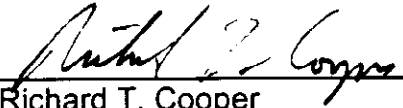


Contents of 47 three ring binders:

These binders contain the experimental data after test implementation of work methods. Not relevant to data used by witness Baron. OPAS reports by day of the Engineered Standards test sites. These reports can not be regenerated.

**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.

  
Richard T. Cooper

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