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 OBJECTIONS
TO INTERROGATORIES DFC/USPS-57 (IN PART) AND DFC/USPS-T30-15
(March 17, 2000)

The United States Postal Service hereby objects to interrogatories DFC/USPS-57 (in part) and DFC/USPS-T30-15, filed on March 7, 2000 by Douglas F. Carlson. Interrogatory DFC/USPS-57 requests that the Postal Service produce copies of "Inspector General audit reports DS-AR-99-003, which reviewed the Government Mails Section of the Washington P&DC, and DA-AR-99-003, which identified nearly \$1 billion of potential cost avoidance for Corporate Call Management." The Postal Service objects to providing the Government Mails report on grounds of relevance and privilege concerning facility-specific data and commercial sensitivity. That audit report discusses the operations at one postal facility concerning the delivery of mail to government agencies. The report is limited to one facility, and does not apply its findings on any broader scale. Significantly, the report does not specifically address any of the classes of mail or special services (including certified mail and return receipt service) that are at issue in this omnibus rate case.

The Postal Service objects to providing a complete copy of the Corporate

Call Management report on grounds of relevance, commercial sensitivity, and

deliberative process privilege. That report discusses the Postal Service's call

management strategies, including the role of automation, and cost projections developed for decisionmaking purposes. Much of the analysis in the report concerns the time after the end of the test year in this proceeding. The Postal Service will, however, provide a redacted version of this report, as prepared in response to an earlier FOIA request. That version withholds material "of a commercial nature . . . which under good business practice would not be publicly disclosed." 39 U.S.C. § 410(c)(2).

Interrogatory DFC/USPS-T30-15 asks witness Davis for the city and ZIP Code of every post office that either participated in or was asked to participate in his cost studies on return receipt and return receipt for merchandise. The Postal Service objects to identifying these locations, on grounds of relevance and protection of facility-specific data. The identification of these post offices is not necessary to evaluate witness Davis' cost study. Mr. Carlson has asked a wide variety of questions about witness Davis' data and study design in interrogatories DFC/USPS-T30-21 through 64, without need for the facility identification.

Moreover, in his letter to the postmasters asked to participate in the study,

Chief Operating Officer Clarence Lewis stated that:

Your support is very important to the success of this survey. The data gathered will not be used to evaluate you or any of your personnel; additionally, the data will not be provided to any party except with the facility identifiers removed.

While this interrogatory does not ask for any other data, Mr. Carlson was provided those data in response to DFC/USPS-T30-12(a). In conjunction with all the questions Mr. Carlson is asking about the data, the risk that the data will be linked to facility identifiers is high. Withholding the facility identifiers is the best

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way to allow an open evaluation of witness Davis' study, and avoid the need for later objections that answering a particular question would provide a link to the facility identifiers. If postmasters become concerned that data they provide for rate case cost studies will not be protected, then the ability to obtain accurate data from the field will be compromised.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

David H. Rubin

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.

Ctavia H. Rubin

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