

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

RESPONSE OF UNITED STATES POSTAL SERVICE
TO UNITED PARCEL SERVICE MOTION TO COMPEL
A RESPONSE TO INTERROGATORY UPS/USPS-T5-28
(April 19, 2000)

The United States Postal Service hereby provides its response to the motion of United Parcel Service (UPS) to compel a response to interrogatory UPS/USPS-T5-28. That interrogatory seeks a copy of "any audit results concerning the accuracy or inaccuracy of BY 1998 postage statements."

The Postal Service objected to UPS/USPS-T5-28 on grounds of burden, vagueness, redundancy, and relevance. The body of that objection offered five different definitions of "audit" and explained why it objected to the interrogatory regardless of which of the five definitions were operative. The motion to compel seeks a response that relies upon the third and fourth proffered definitions, that is, whether the Postal Inspection Service and the Office of the Inspector General have conducted audits of BY 1998 postage statements.

One specific ground previously articulated when objecting to application of those definitions is that USPS-LR-I-181 has already been made available; it lists *and describes* recent reports so that interested participants can request specific ones. While UPS indicates in its motion its intent to do so even as it seeks to compel a response to UPS/USPS-T5-28. UPS is nothing if not burdensome and redundant in its requests.

The Postal Inspection Service and the Office of the Inspector General were contacted directly in an effort to avoid the burdensome need to obtain and review each of the reports identified in USPS-LR-I-181. The Postal Inspection Service routinely conducts what it terms "financial audits" that could examine business mail entry units (BMEUs) and their review of the verification process. Of 200 such recent audits,¹ fifteen reported some kind of problem. However, it is unlikely that any of them actually examined the specific question into which UPS/USPS-T5-28 inquires, because the purpose of an audit is to determine whether BMEU personnel apply and conduct the correct procedures, not to check physically whether postage statements correspond perfectly to a given mailing. Errors in the BMEUs occur because proper procedures are not applied, not because BMEU personnel are unable to calculate correctly that two plus two equals four or that three pallets of 200 pieces each weighing one pound makes for a total of 600 pieces weighing a total of 600 pounds.² Accordingly, such financial audits would ordinarily not examine postage statements.

The inquiries to the Postal Inspection Service and the Office of the Inspector General also illuminated two additional grounds for objection, commercial sensitivity and deliberative process, while providing additional information to support the burden objection.

The biggest problem illuminated has to do with part (c) of UPS/USPS-T5-28, which extends to "[i]nclude all documents and analyses related to each such audit." Counsel is informed by the Office of the Inspector General that it views all supporting documents

¹ The query tool via which this information was obtained does not permit date delimited searches. As such, it is unclear how many of these audits would pertain to BY 1998.

² One type of error that has been identified through such financial audits in the past is the failure of a clerk to enter postage statement data into PERMIT at all as a "favor" to a mailer. A pattern of such behavior could lead to criminal prosecution.

for a final audit report as protected deliberative process materials. As such, while final reports could be provided in a form that redacts facility specific and mailer specific information, it does not believe that provision of supporting documentation is ever appropriate.

The Inspection Service was able to identify potentially responsive financial audits, but is unlikely to retain any information regarding those audits since its current practice is not to retain materials older than one year. Instead, such materials are turned over to the Office of the Inspector General, which treats them as its own. Until these reports are identified and reviewed – which has not occurred in the few hours between initial inquiry and the filing of this pleading – the specific burden of identifying information that would need to be redacted cannot be quantified. Based upon an estimate that between fifteen and fifty reports would require review, and Office of the Inspector General official estimates that at least several weeks of work would be required. If any underlying documentation needs, this time estimate could be off by still additional weeks.³

In sum, the narrowing of UPS/USPS-28 accomplished by the motion to compel eliminates much of the burden that would be required to search for, identify and review potentially responsive documents. However, the Inspection Service audits that have been identified as potentially responsive may in fact not be both because they may not fall within the relevant time frame let alone relate to RPW data relied upon for the present proceeding. Moreover, the part (c) request for “all documents and analyses” retains its overbroad nature, while raising additional concerns about burden, relevance, commercial sensitivity, and the deliberative process privilege. Even the provision of

³ It is unclear whether any supporting materials would be available since respective audits must be identified to the Office of the Inspector General before any review could be conducted.

redacted responses is quite burdensome, especially when considered in light of the low likelihood that such material would in fact address issues of concern to UPS.

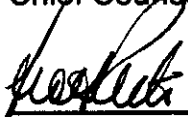
WHEREFORE, the United States Postal Service asks the Presiding Officer to deny UPS' motion to compel a response to UPS/USPS-T5-28.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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for 

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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.

for 

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