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POSTAL MATE COMMISSION OFFICE OF THE STORFTARY

## BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

PARTIAL OBJECTION OF UNITED STATES POSTAL SERVICE TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE (OCA/USPS-122(d) and (g))

(April 20, 2000)

The United States Postal Service hereby objects in part to Office of the Consumer Advocate interrogatories OCA/USPS-122(d) and (g), filed on April 10, 2000. The interrogatories variously request information that is irrelevant, is pre-decisional, is commercially sensitive and would be unduly burdensome to produce.

Subparts (a) through (g) of OCA/USPS-122 request a variety of information on seven "non-postal programs: (1) First-Class Phone Card, (2) Retail Merchandise, (3) PostOffice Online (POL), (4) Liberty Cash, (5) Dinero Seguro, (6) REMITCO, and (7) Sure Money. The Postal Service, to the extent the requested information exists, will provide responses to subparts (a), (b), (c), (e) and (f). The Postal Service objects, however, to providing all of the information requested in subparts (d) and (g). Those subparts provide:

(d) Provide financial reports to the Board of Governors (see responses to OCA/USPS-T9-35 & 40) and any other financial reports compiling annual revenues and expenses for each program/product/service since inception. Include all "start-up" expenses for each program/product/service.

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(g) For each program/product/service, state whether the program/product/service is rendered in whole or in part by a third party provider. Identify the third party provider and describe how revenues are allocated between the Postal Service and the third party provider. Also state how expenses are divided between the Postal Service and the third party provider.

With respect to subpart (d), the Postal Service will provide, to the extent information exists and has not already been provided, the revenues and expenses, including "start-up" expenses for each designated program. The Postal Service objects to providing the financial reports to the Board of Governors and possibly other financial reports on the grounds that they contain information of both a pre-decisional and commercially sensitive nature. For example, financial reports may contain commercially sensitive information such as detailed data on international mail services or financial arrangements between the Postal Service and various third parties. In addition, the information is irrelevant. The wording of the question makes clear that the OCA desires to know the revenues and expenses of the various programs; it does not need to see any reports -- to the Board of Governors or otherwise -- that merely duplicate that information and contain other unrelated information. Also, the request for "any other financial report compiling annual revenues and expenses for each program/product/service since inception" is overbroad and responding would be unduly burdensome. Any manner of reports over a number of years that contain financial information would appear to be encompassed by the request. Why a search for such documents should be undertaken when the Postal Service will provide whatever revenue and expense figures exist is not clear.

In response to subpart (g), the Postal Service will identify any third party providers for the delineated services, but objects to providing any break out of revenues and expenses as between the Postal Service and any third party provider. The financial details of any such arrangements would be considered commercially sensitive by both the Postal Service and any third party providers. Also, such information is irrelevant.

As discussed, the Postal Service will provide certain information in response to OCA/USPS-122(d) and (g), but objects to providing anything more.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Susan M. Duchek

## **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.

Susan M. Duchek

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