

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

DOUGLAS F. CARLSON
SUPPLEMENT TO
MOTION TO COMPEL THE UNITED STATES POSTAL SERVICE
TO RESPOND TO INTERROGATORIES
DFC/USPS-81-84 and DFC/USPS-T31-8, 10-13, 15, and 17 [ERRATUM]

April 28, 2000

In this proceeding, the Postal Service proposes to charge fees for post-office boxes based on facility rental costs, even for facilities where the Postal Service incurs no rental costs. In evaluating this unjustified pricing scheme, participants and the Commission must assess, under Criterion 4, the effect of this rate increase on the general public.

On April 22, 2000, I served a motion to compel the Postal Service to respond to several interrogatories on this subject, including DFC/USPS-81.¹ The Postal Service had objected on April 20, 2000.² The subparts of this interrogatory request various types of information designed to estimate the number of customers whom this fee proposal would unfairly charge for rental costs that the Postal Service is not incurring. I explained in my motion the reasons why this interrogatory is proper and relevant.

¹ Douglas F. Carlson Motion to Compel the United States Postal Service to Respond to Interrogatories DFC/USPS-81-84 and DFC/USPS-T31-8, 10-13, 15, and 17 (filed April 25, 2000).

² Objection of United States Postal Service to Interrogatories DFC/USPS-81-84 of Douglas F. Carlson (filed April 20, 2000).

On April 24, 2000, the Postal Service filed an untimely “supplement” to the original objection, alleging that responding to this interrogatory would be burdensome.³ The Postal Service noted that responding to this interrogatory “could take weeks.”⁴

Although the Postal Service filed this additional ground for objection four days late, the Postal Service failed to file a motion for late acceptance. The Postal Service offers no reason, persuasive or otherwise, for failing to file this information in a timely manner. By the time the Postal Service introduced this additional ground for objection, I had already served my motion to compel. No justification exists for the prejudice that the Postal Service’s late filing is causing — namely, the instant need to file a second pleading to respond to this supplemental objection. Since the Postal Service objected to my interrogatories on the grounds of timeliness,⁵ the Postal Service’s late-filed objection based on burden should be disregarded.

I will, nonetheless, respond to the claim of burden. When I filed interrogatory DFC/USPS-81, I did not know which information requested in the various subparts the Postal Service would have. A measure of the percentage of boxes — either installed or in use — that are located in Postal Service–owned buildings would provide the best estimate of the effect of this rate increase on the general public. However, an estimate of the proportion of all postal *facilities* that the Postal Service owns might be an acceptable, although far inferior, alternative proxy.⁶ So I asked for both types of data. My interrogatory clearly is written to minimize burden, as subparts (d) and (e) are required “if and only if” data for subparts (a), (b), and (c) are not available.

³ Supplement to Objection of United States Postal Service to Interrogatory DFC/USPS-81 of Douglas F. Carlson [Erratum] (filed April 24, 2000).

⁴ *Id.* at 1.

⁵ Objection at 1.

⁶ For example, considering the many large Postal Service–owned post offices in major cities, some reason exists to believe that a disproportionate number of boxes is located in large, Postal Service–owned buildings. Therefore, using the proportion of postal facilities that the Postal Service owns as a proxy for the proportion of boxes that are located in Postal Service–owned buildings may significantly understate the effect of this fee increase on box customers.

After the Postal Service filed the supplemental objection, I contacted Postal Service counsel to clarify whether the estimate of “weeks” applied to all subparts of my interrogatory taken together or, rather, to a single subpart. Postal counsel informed me that the burden involves the need to link ownership/rental information with facility characteristics, such as the number of boxes, the availability of box service, or customer services at each facility. According to postal counsel, the burden of “weeks” does not apply to subpart (d). Furthermore, preparing responses to subparts (a), (b), or (c) might require only one week.

My motion persuasively explains why this information is relevant. In fact, the information is so important to this proceeding that the Postal Service should endure a reasonable burden in providing responsive information, particularly since the Postal Service is the party proposing to charge box customers for nonexistent rental costs. Of all subparts, (f), (g), (h), and (i) would most accurately quantify the effect of this fee increase on the general public, as these subparts will provide the percentage of installed boxes that are located in facilities for which the Postal Service pays no rent. If this motion is granted, I will promptly file a follow-up interrogatory asking for similar information for the percentages of boxes *in use* (compared to *installed*). Both measurements, taken together, will provide useful estimates of the effect of this fee increase on existing box customers (boxes *in use*) and existing plus potential customers (boxes *installed*). This follow-up interrogatory will impose little additional burden since the data file in USPS-LR-I-241 contains facility-by-facility information on both boxes installed and boxes in use, and in providing information on boxes installed, the Postal Service already will be performing the complicated part of the analysis — linking ownership information with boxes. If the presiding officer directs the Postal Service to respond to parts (f), (g), (h), and (i), I will waive responses to parts (a)–(e).

The value of this information outweighs the burden. Even “weeks” of work would be justified, particularly since Postal Service witnesses Yezer and Kaneer

will have diminished obligations in this proceeding for the next several weeks, as they have completed oral cross-examination and all but finished responding to discovery requests. Moreover, since the Postal Service elected to propose a fee structure that would charge box customers for rental costs that the Postal Service is not incurring, the Postal Service should bear the burden of explaining the effect of this fee increase on the general public. The information that I have requested will most accurately explain the effect of the proposed fee increase on the general public, and the Postal Service should be directed to provide it.

Respectfully submitted,

Dated: April 28, 2000



DOUGLAS F. CARLSON

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the required participants of record in accordance with section 12 of the *Rules of Practice*.



DOUGLAS F. CARLSON

April 28, 2000
Emeryville, California