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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

PRESIDING OFFICER'S  
RULING NO. R2000-1/58

UNITED STATES OF AMERICA  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

Postal Rate and Fee Changes

Docket No. R2000-1

PRESIDING OFFICER'S RULING  
GRANTING IN PART DOUGLAS F. CARLSON MOTION TO COMPEL  
RESPONSE TO INTERROGATORIES (DFC/USPS-70, 77(c), 77(d) & 77(f))

(Issued May 5, 2000)

Douglas F. Carlson filed a motion to compel answers to interrogatories on April 10, 2000 (Motion).<sup>1</sup> The Motion was in response to the Postal Service's objections to interrogatories filed on March 30, 2000 and March 31, 2000 (Objections).<sup>2</sup> Carlson initially filed a set of four multi-part interrogatories on March 20, 2000 and a set of seven multi-part interrogatories on March 23, 2000.<sup>3</sup> The Postal Service filed separate answers or objections to the remaining interrogatories that are not part of this motion to compel. Interrogatory DFC/USPS-70 requests the Postal Service to provide recent national EXFC performance data for every category available e.g., flats, letters, SPR's; handwritten, typewritten, barcoded; etc. Interrogatory DFC/USPS-77 requests information concerning postage stamps that may be issued when new postage rates go into effect, including the use of non-denominated postage stamps.

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<sup>1</sup> Douglas F. Carlson Motion to Compel the United States Postal Service to Respond to DFC/USPS-70, 77(c), 77(d) & 77(f).

<sup>2</sup> Objection of the United States Postal Service to Carlson Interrogatory DFC/USPS-70, United States Postal Service Objection to Douglas F. Carlson Interrogatory DFC/USPS-77(c), 77(d), and 77(f).

<sup>3</sup> Douglas F. Carlson Interrogatories to the United States Postal Service (DFC/USPS-67-70), Douglas F. Carlson Interrogatories to the United States Postal Service (DFC/USPS-71-77).

Interrogatory DFC/USPS-70. The Postal Service objects to providing national EXFC performance data disaggregated into the requested categories based on relevance and materiality. The Service admits EXFC scores are relevant to the "value of service" ratemaking consideration with respect to a subclass as a whole. The objection, repeated in the Service's opposition to the motion, is based on the Postal Service's assertion that the Commission does not make value of service judgements below the subclass level.<sup>4</sup> Thus, disaggregate information is not relevant to a ratemaking decision. Carlson argues that the disaggregate information is relevant to understanding the value of service and unmasking any serious performance problems concealed within the aggregate EXFC figures. Furthermore, insight may be gained in determining the value of service if a Courtesy Reply Envelope proposal is submitted.

The Postal Service argument that the requested information is neither relevant nor material is not persuasive. The Commission's present ratemaking methodology is not dispositive of either issue. This interrogatory is reasonably calculated to lead to the discovery of admissible evidence. If the requested information exists, the Postal Service shall provide a responsive answer.

Interrogatory DFC/USPS-77(c), 77(d) & 77(f). On April 19, 2000, the Postal Service provided answers to interrogatories 77(c) and 77(d).<sup>5</sup> Without further objection, the Postal Service answer to 77(c) renders the motion to compel an answer to this interrogatory mute. Interrogatory 77(d) requests a discussion of any studies or other information related to customer confusion in future years caused by the absence of an alpha designation or rate value on a postage stamp. The Postal Service answer does not address the question of customer confusion or discuss any studies or other information on this topic that the Postal Service may possess. The Postal Service shall provide a more responsive answer to this question.

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<sup>4</sup> Opposition of the United States Postal Service to Carlson Motion to Compel a Response to DFC/USPS-70, April 17, 2000.

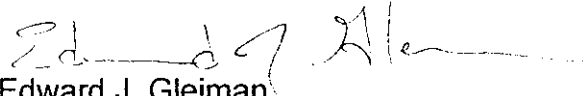
<sup>5</sup> Response of United States Postal Service to Interrogatory of Douglas F. Carlson (DFC/USPS-77(c) & (d)).

The Postal Service maintains its relevance objection to 77(f).<sup>6</sup> The interrogatory requests the Postal Service to discuss the possibility that there will be sufficient lead-time before implementing new rates to print stamps that indicate the new rate on the stamp. This would eliminate the need for non-denominated stamps. This interrogatory follows a general line of "customer confusion" related questions that Carlson has presented through several interrogatories. Carlson's line of questioning appears to be consistent and relevant as to the feasibility of a CEM proposal. A fair reading of the record indicates that the OCA or some other party may sponsor a CEM proposal. Therefore, the Postal Service shall provide a brief responsive answer to DFC/USPS-77(f).

#### RULING

The Douglas F. Carlson Motion to Compel the United States Postal Service to Respond to DFC/USPS-70, 77(c), 77(d) & 77(f) is granted in part consistent with the body of this ruling.

- a. The Postal Service shall respond to interrogatories DFC/USPS-70 and 77(f).
- b. A more responsive answer shall be provided to DFC/USPS-77(d).
- c. No further response to DFC/USPS-77(c) is required.

  
Edward J. Gleiman  
Presiding Officer

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<sup>6</sup> Notice of United States Postal Service Concerning Motion of Douglas F. Carlson Motion to Compel the United States Postal Service to Respond to DFC/USPS-70, 77(c), 77(d) & 77(f). The Notice appears to incorrectly maintain an objection to 77(e). From the context of the Notice, interrogatory 77(f) should be the proper designation.