## 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

MOTION OF MPA ET AL. TO INCORPORATE
INTO EVIDENCE USPS RESPONSES TO UPS/USPS-T12-12-17 AND USPS
LIBRARY REFERENCES LR-I-310, LR-I-386 AND LR-I-398,
OR, IN THE ALTERNATIVE, TO DIRECT THE POSTAL SERVICE TO PROVIDE A
SPONSORING WITNESS FOR SAID LIBRARY REFERENCES

(JUNE 8, 2000)

Pursuant to the Commission's Rules, Magazine Publishers Of America (MPA), Advo Inc., Alliance of Nonprofit Mailers, American Business Media, Association for Postal Commerce, Association of American Publishers, Coalition of Religious Press Associations, Direct Marketing Association, Inc., Dow Jones & Company, Inc., Mail Order Association of America, The McGraw-Hill Companies, Inc., National Newspaper Association, Parcel Shippers Association and Time Warner Inc. ("MPA et al.") hereby move the incorporation into evidence of Postal Service witness Baron's responses to UPS/USPS-T12-12-17 (filed June 2, 2000) and Postal Service library references LR-I-310, LR-I-386 and LR-I-398, or, in the alternative, request that the Postal Service be directed to provide a sponsoring witness for said library references.

The above parties are sponsors of the Direct Testimony of Rita Cohen (MPA-T-1) or the Direct Testimony of Antoinette Crowder (MPA-T-5), or both. Witnesses Cohen (at 28-30) and Crowder (at 5) both argue that Postal Service witness Raymond's Delivery Redesign data are unreliable and inappropriate for determining proportions of carrier street time activities, but that if the Commission were to use that data, it must

also use the corresponding volumes derived from that same data collection to determine the variability of those activities.

The Postal Service's "Draft Report on Load Time Analysis," was filed as USPS LR-I-310 on May 12, in fulfillment of witness Baron's statement in response to ADVO/USPS-T-12-11 that he was "aware of a preliminary load-time variability analysis that is based on the time study data in the Delivery Redesign data base" and that the study would be "completed in approximately two weeks" and filed as LR-I-310. The notice of filing of Library Reference USPS-LR-I-310 (May 12, 2000) states: "If there are any questions concerning this library reference, they should be directed to witness Baron." The notice does not, however, expressly denominate witness Baron as the "sponsor" of the library reference. Witness Baron's answer to ADVO/USPS-T12-11 is on the record at Tr. 18/7094, but Library Reference USPS-LR-I-310 itself was not filed until after the close of hearings on the Postal Service's direct case, too late to be designated into evidence through the ordinary procedure.

Subsequent to the filing of LR-I-310, United Parcel Service directed interrogatories to witness Baron concerning this Library Reference (UPS/USPS-T12-12-17, filed May 18, 2000). On June 2, the Postal Service filed responses from Baron, along with an additional library reference, LR-I-386, further refining the analysis provided in LR-I-310. In the course of those responses, witness Baron espoused the use of the Delivery Redesign data base, as presented in LR-I-310 and refined in LR-I-386, as the best basis for determining the volume variability of carrier street time costs available on the record of this case:

The latest revised regression that is estimated through use of ES volume and deliveries data, and that produces the results summarized in Tables 3B and 4B presented in my interrogatory UPS/USPS-T12-16 response, produces volume variabilities that are more reliable than those produced by the SDR, MDR, and BAM regressions currently used by the Commission and the Postal Service, or by any other regressions submitted into evidence to date. Therefore, I believe that these new ES-

based variabilities should replace the current Base Year SDR, MDR, and BAM variabilities.

Response to UPS/USPS-T12-13 (June 2, 2000).

Four days later, the Postal Service filed an additional library reference, USPS-LR-I-398 ("Derivation of New Segment 7 Volume Variable Costs, Produced in Response to UPS/USPS-T12-13 (Baron)"), which it described as containing "city carrier volume variability information provided in response to interrogatory UPS/USPS-T-12-13 to witness Baron." Notice of United States Postal Service of Filing of Library Reference USPS-LR-I-398 (June 6, 2000).

As sponsors of testimony also espousing use of the Delivery Redesign data base for purposes of determining volume variability should the Commission determine to use that data base to determine proportions of carrier street time activities, MPA et al. have been placed in an ambiguous position due to the fortuities of the calendar. We believe that the Postal Service's filing of library references 310, 386 and 398 -- along with witness Baron's responses to interrogatories and his support of the use of those library references by the Commission -- amount in fact, if not yet in name, to sponsorship of those library references. We also believe, however, that fairness to our witnesses who rely on those library references would be served by an evidentiary ruling clarifying the references' status before these witnesses take the stand.

Accordingly, MPA et al. respectfully move that witness Baron's responses to UPS/USPS-T12-12-17 and USPS library references LR-I-310, LR-I-386 and LR-I-398 be accepted into evidence in this case and transcribed into the record at such later time as the Presiding Officer shall prescribe. Alternatively, if the Commission deems incorporation of these materials into evidence inappropriate at this time, MPA et al. move that the Postal Service be directed to present a sponsoring witness for library references LR-I-310, LR-I-386 and LR-I-398 so that they may at an appropriate future time be subject to cross-examination and incorporation into the evidentiary record.

Respectfully submitted,

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## **CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the foregoing document on all participants of record in this proceeding in accordance with the Commission's Rules of Practice.

Anne R. Noble

Washington DC June 8, 2000