

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

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POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

OBJECTION OF THE UNITED STATES POSTAL SERVICE
TO CARLSON INTERROGATORY DFC/USPS-96
(June 26, 2000)

The United States Postal Service hereby objects to the following interrogatory of filed by Mr. Carlson on May 16, 2000: DFC/USPS-96.

The interrogatory seeks information relating to postal matters within the very broad areas of interest to the requester, but irrelevant to this proceeding. There is no rate or classification determination to be made by the Commission in this docket to which the requested information could have any material relationship. Accordingly, the Postal Service objects to disclosure of any of the requested information.

DFC/USPS-96 seeks three types of information. In subpart (a), it requests that the Postal Service, for the years 1997 through the present:

- (1) identify every 3-digit ZIP Code origin-destination pair for which the service standard for First-Class Mail or Priority Mail was changed for reasons unrelated to a Service Standard database error.

In subparts (a) and (b), in reference to each such change, it requests that the Postal Service:

- (2) identify the "before and after" service standards and summarize the reasons for the change; and
- (3) provide copies of all records transmitting submissions, appeals, and decisions which were generated in connection with the USPS Policy For Requesting A Service Commitment Change (a copy of which was attached to the May 4, 2000, response of the Postal Service to a question posed by Commissioner Goldway at Tr. 11/4608-11).

As reflected in the above-referenced Service Commitment Change policy directive, the Postal Service has internal operating procedures for the centralized review of requests for changes in the First-Class Mail and Priority Mail service standards for the numerous 3-digit ZIP Code origin-destination pairs in the postal system.¹ However, the fact that the document provided by the Postal Service in response to Commissioner Goldway's question unavoidably refers to some matters outside the scope of this proceeding does not make every aspect of each of those matters subject to further discovery. Discovery in Docket No. R2000-1 is governed by the requirement that the material sought be relevant to and have some material bearing on issues before the Commission in this docket. Mr. Carlson is entitled to cultivate his wide-ranging interest in postal matters which extend beyond the scope of ratemaking. However, he is not entitled to abuse the postal ratemaking discovery process in pursuit of such matters.

The Postal Service maintains an electronic database which is designed to reflect the service standards between the approximately 836,000 3-digit ZIP Code origin-destination pairs in the postal system. As indicated in the partial response to DFC/USPS-96(a) filed today, beginning in AP 7, FY 2000, the Postal Service switched to a configuration of its Service Standards database that resulted in a purge of all electronic records which identified the nature of previous changes. Thus, for changes which occurred before AP7, the Postal Service does not maintain electronic Service Standard database records which distinguish between changes approved under the Service Commitment Change policy directive and those changes made to correct

¹ There are approximately 836,000 such 3-digit ZIP Code origin-destination pair combinations nationwide.

database errors.² That response also indicates that no changes to any First-Class Mail or Priority Mail 3-digit ZIP Code origin-destination pair service standards have been made under the Service Commitment Change policy since the beginning of AP 7.

In conjunction with the FY 2000 AP 7 database maintenance change, hard-copy files pertaining to Service Standard changes made before AP 7 also were purged. Thus, generally speaking, there is no systematic way of reviewing "pre-AP 7" changes in the database to distinguish whether they were made under the Service Commitment Change policy or to correct errors. Nevertheless, the Postal Service has located four yet-to-be-discarded files pertaining to decisions in 1997 and 1998 approving *de minimis* First-Class Mail or Priority Mail service standard changes unrelated to database errors.³

It is indisputable that service standard achievement is relevant to value of service, within the meaning of 39 U.S.C. § 3622(b)(2). However, earlier in this proceeding, the Presiding Officer determined that "[i]nquiries concerning the criteria employed by the Postal Service to develop delivery standards, as distinct from inquiries concerning actual performance, are one step removed from, and therefore of limited relevance to issues before the Commission in general rate proceedings." Presiding Officer's Ruling No. R2000-1/59, at 5 (May 10, 2000). If the criteria used to develop service standards are of "limited relevance," and therefore, beyond the scope of discovery in these proceedings, surely the same must hold true for information detailing how the criteria are applied in particular cases. Such a conclusion is more compelling

² Database error corrections occur in response to the discovery of instances where, for example, the database erroneously reflects a 2-day service standard for a 3-digit ZIP Code origin-destination pair when the actual commitment is 3 days.

³ A summary of these changes is contained in the partial response to DFC/USPS-96(a) filed today, not because the Postal Service considers the information relevant or material, but to make clear that the only records arguably responsive to DFC/USPS-96 relate to indisputably *de minimis* changes.

for information of an *de minimis* nature pertaining to how the criteria have been are applied in a handful of instances.

Perhaps Mr. Carlson will argue that he propounded DFC/USPS-96 to gather information which would form a basis for arguing that the Service Commitment Change policy directive has been employed to make widespread changes to service standards between specific 3-digit ZIP Code origin-destination pairs of such a material nature as to affect how one should interpret External First-Class (EXFC) and Priority End-to-End (PETE) service standard achievement scores. However, as revealed in the partial response to DFC/USPS-96(a), there are no records which provide a basis for making such an argument. In any event, the Postal Service submits that it is irrelevant to that inquiry what reasons may have been advanced in support of any particular (non-error correction) changes. The information arguably relevant to Mr. Carlson's argument would be a catalog of all changes made under the Service Commitment Change policy - a catalog which does not exist.

Even if the Commission were to conclude that the records summarized in response to DFC/USPS-96(a) had any relevance at all, it seems that the Commission also would surely conclude that such relevance was attenuated at best, and overwhelmed by the immateriality of the information. As evidenced by the partial response to DFC/USPS-96(a), the four yet-to-be-discarded files pertain to a microscopic portion of the 836,000 combinations of 3-digit ZIP Code pairs.

Let us assume that Mr. Carlson wants to argue that, contrary to the letter and spirit of the Service Standard Change policy, the procedures have been employed for the purpose of masking "deteriorating" or "inferior" service. However, as demonstrated in the partial response to DFC/USPS-96(a), in the handful of instances for which records remain, the procedures were employed to affect *de minimis* "upgrades" and "downgrades" in service between 3-digit origin ZIP Code destination pairs. Thus, those

records would provide no basis for making any sweeping generalizations about a "sinister" application of the Service Standard Change policy.

The Postal Service considers that it should not be compelled to respond further to the request in DFC/USPS-96(a) to identify all 3-digit Zip Code origin-destination pairs for which the service standard for First-Class Mail or Priority Mail was changed for reasons unrelated to a service commitment database error. For the reasons explained above, it is impossible to reconstruct a record of all such changes made under the Service Commitment Change policy and, therefore, impossible to draw any conclusions about the nature or scope of those changes in relation to database error corrections which also have been made.

Mr. Carlson's requests, like the similar requests of Mr. Popkin which are the subject of pending motions practice,⁴ stray far afield from postal ratemaking. The fact that Mr. Carlson has limited his "fishing expedition" to four calendar years does not distinguish the fundamental character of his request from Mr. Popkin's requests seeking substantially the same information.

Accordingly, the Postal Service objects to DFC/USPS-96.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:



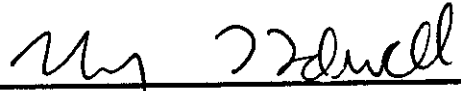
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⁴ See, Opposition of the United States Postal Service To Motion of David B. Popkin To Compel Responses To Interrogatories DBP/USPS-207(a-j), 208(d), 219, 222-224 and 230-238. (June 7, 2000), (with an emphasis on 230-238).

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.

A handwritten signature in black ink, appearing to read "Michael T. Tidwell", is written over a horizontal line.

Michael T. Tidwell

June 26, 2000