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PRESIDING OFFICER'S
RULING NO. R2000-1/137

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

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
DENYING ABA, NAPM, AND MMA MOTION TO STRIKE
AND MOTION TO REJECT LIBRARY REFERENCES**

(Issued August 30, 2000)

On August 28, 2000, American Bankers Association, National Association of Presort Mailers and Major Mailers Association filed a joint motion to strike portions of the Postal Service's supplemental response to Presiding Officer's Ruling No. R2000-1/116.¹ (Joint Motion.)

Presiding Officer's Ruling No. R2000-1/116 granted Major Mailers Association's motion to compel the Postal Service to update library references LR-I-137, LR-I-146, LR-I-147, LR-I-160, and LR-I-162. In response to the ruling, the Postal Service noted apparent anomalous results in the mail processing unit cost materials, and states that the Service is exploring whether it is possible to redo these analyses using an IOCS methodology consistent with the FY 1998 approach. The Service filed a supplemental response containing revised library references that utilize the FY 1998 methodology on August 25, 2000. The Joint Motion requests to strike portions of this supplemental response because it is not responsive to Presiding Officer's Ruling No. R2000-1/116, it represents a material change in measurement of first class workshare cost avoidance,

¹ American Bankers Association, National Association of Presort Mailers and Major Mailers Association Motion to Strike Portions of August 25, 2000 Supplemental Response of the United States Postal Service to Presiding Officer's Ruling No. R2000-1/116 Concerning Library References LR-I-477, LR-I-478, LR-I-481, and LR-I-482, and to Reject Such Library References (filed August 28, 2000).

and it violates due process because it changes the Postal Service methodology late in the proceedings.

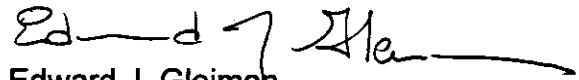
On August 29, 2000, the Postal Service filed a response in opposition to the Joint Motion.² The Postal Service states that the supplemental response does nothing more than report the results of applying methodology used in the original library references to FY 1999 data. The Service also discusses potential due process difficulties of its own if the supplemental testimony is not included in the record. Finally, the Service submits that both versions of the response be placed into the record and that the parties can argue on brief the most appropriate way to apply the available data.

I will deny the Joint Motion to strike portions of the Postal Service's supplemental response. The parties were on notice when the Postal Service filed the original response that the Service was studying certain anomalies in the material. Furthermore, Major Mailers Association witness Bentley, and American Bankers Association/National Association of Presort Mailers witness Clifton, have subsequently revised their supplemental testimony to incorporate data from the Postal Service supplemental response. As noted by the Postal Service, participants are expected to argue on brief the relative merits of data admitted into evidence.

² Response of the United States Postal Service in Opposition to Joint Motion of ABA, NAPM, and MMA to Strike the Postal Service's Supplemental Response to P.O. Ruling No. R2000-1/116 (filed August 29, 2000).

RULING

American Bankers Association, National Association of Presort Mailers and Major Mailers Association Motion to Strike Portions of August 25, 2000 Supplemental Response of the United States Postal Service to Presiding Officer's Ruling No. R2000-1/116 Concerning Library References LR-I-477, LR-I-478, LR-I-481, and LR-I-482, and to Reject Such Library References (filed August 28, 2000) is denied.


Edward J. Gleiman
Presiding Officer