

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, 2001

Docket No. R2001-1

PARTIAL OBJECTION OF UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA, INC. TO
WITNESS TAYMAN AND UNCONTESTED MOTION FOR PROTECTIVE
CONDITIONS

(MPA/USPS-T6-1(a) and (b), 2(a) and (b), and 3(a))
(October 15, 2001)

The United States Postal Service hereby objects to interrogatories MPA/USPS-T6-1(a) and (b), 2(a) and (b), and 3(a), in part. All of these interrogatories generally request underlying site-specific calculations and Decision Analysis Reports (DARs) concerning various cost savings programs contained in USPS-LR-J-49. The interrogatories are variously objectionable because responding to them would reveal facility-specific, pre-decisional and proprietary information. Also, some of the requested information is irrelevant and some would be burdensome to produce.

MPA/USPS-T6-1(a) requests "all calculations underlying your estimate of the cost savings from AUTOMATED FLAT SORTING MACHINE (AFSM 100): FIRST BUY (175) AND SECOND BUY (362)." Subpart (b) requests all DARs concerning AFSM 100s.

The Postal Service will file a response to subpart (a) that generally describes the process for calculating the cost savings. It objects, however, to providing all of the underlying calculations for a number of reasons. First, showing all underlying calculations would reveal site-specific information concerning volumes and

productivities for various operations at specific sites. Revealing such information has the potential to interfere with labor-management relations, as well as the potential to harm the Postal Service's competitive position. In addition, the calculations used data from 281 sites, covering several thousand pages of material and thus would be unduly burdensome to produce. It is estimated that it would take one person, working full-time, approximately six weeks to prepare all of these data for production in a comprehensible format for purposes of this response.

There are not always specific calculations that neatly track all savings estimates. Initial projected savings derived from site-specific volumes and productivities can be subject to later adjustment due to changes in the equipment deployment schedules. Additionally, adjustments can be made as part of the normal give and take negotiations of the budget process, which reflect the fact that operating plan details change on a continuing basis.

The Postal Service believes that the DARs should not have to be produced. Information that served as an input into the decision-making process is protected as pre-decisional. Also, such cost-benefit information may be proprietary to the Postal Service and its contractors, and likely would be of value to potential competing bidders and/or competitors. The Postal Service is willing, however, to produce the DARs (with any site names, employee identifying information and contractor identifying information redacted) under protective conditions. Undersigned counsel has spoken to counsel for MPA, who has indicated that MPA will not oppose provision of the DARs under protective conditions. The Postal Service thus moves that the protective conditions set

out in Presiding Officer's Ruling No. R2001-1/2, issued October 12, 2001, also be adopted here.

Moreover, the Postal Service believes that producing the DARs under protective conditions should obviate the need to provide the underlying calculations requested in subpart (a). The DARs contain the national detailed cash flow information, which reflects the combined data results from the 281 sites. To the extent that there are differences between what is included in the DARs and what is contained in USPS-LR-J-49, as explained previously, this can reflect changes in equipment deployment schedules and changes resulting from budget negotiations, which cannot always be traced through specific calculations.

MPA/USPS-T6-2(a) requests "all calculations underlying your estimate of the cost savings from adding automated feeders and OCRs to FSM 1000s." Subpart (b) requests all DARs regarding such FSM 1000 retrofits.

Again, the Postal Service will file a response to subpart (a) explaining the process used in calculating the cost savings. Providing the underlying calculations, however, would again require revealing certain site specific data from 210 of the 281 sites referenced above and is objected to on the same grounds stated above. It is estimated that compiling the specific data for the 210 sites from the several thousand pages of material from the initial 281 sites would take one person, working full time, an additional two weeks to prepare.¹

¹ Thus, to respond to this subpart would require a total of about eight weeks – the six weeks to compile all of the underlying data from the 281 sites and an additional two

The Postal Service also objects to providing DARs requested in MPA/USPS-T6-2(b) for the same reasons stated above. Again, however, the Postal Service is willing to provide the DARs under protective conditions, and as indicated above, MPA will not oppose this. Also, the Postal Service again, believes that providing the DARs under protective conditions should dispense with the need to provide underlying calculations in response to subpart (a).

MPA/USPS-T6-3(a) requests "all calculations underlying your estimate of the cost savings from Bundle Collators."

The Postal Service will file a response to subpart (a) describing the process for calculating the savings. It objects, however, to providing the underlying calculations, for the reasons indicated previously, as they would reveal site-specific information from one site. In addition, however, the underlying calculations are irrelevant. The program recently was discontinued, so the projected savings will not materialize.

By providing explanations of the process for calculating the referenced cost savings and by providing the DARs, which reveal detailed national cash flow information, the Postal Service believes that it will provide all of the information that is relevant and necessary for an understanding of these programs.

weeks to deal with the specific subset of data requested here.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:



Susan M. Duchek

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.



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