

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 THE UNITED STATES POSTAL SERVICE TO
INTERROGATORY OCA/USPS-T36-1(A)
OF THE OFFICE OF THE CONSUMER ADVOCATE
(October 22, 2001)

In accordance with Rules 25 and 26 of the Commission's Rules of Practice and Procedure, the Postal Service hereby objects in part to interrogatory OCA/USPS-T36-1(a), filed by the Office of the Consumer Advocate on October 1, 2001, on the grounds of relevance and commercial sensitivity.

Interrogatory OCA/USPS-T36-1(a) asks for a copy of any report or other document prepared as a result of an audit on any Postal Service special service conducted by the Postal Inspection Service or any other entity under Postal Service auspices since a May 18, 1999 audit on practices for certified mail, registered mail, insured mail, return receipts, restricted delivery, and post office boxes.

One possibly responsive audit report is titled "Review of the Postal Service Delivery Confirmation Program at Selected Facilities." The Postal Service objects to providing this report on the grounds of relevance and commercial sensitivity. The report provides results of an audit of the delivery confirmation scanning procedures at only five facilities. These facilities were not selected randomly, but rather were reviewed because of allegations made to the OIG hotline concerning improper scanning

procedures. The OIG found problems at these five facilities in late 1999 and early 2000, but concluded that postal management generally agreed with the OIG recommendations and planned actions to correct the problems. Thus, these problems likely have been corrected. Even if these five facilities continued to scan improperly, the volume at issue would be so small as to not be relevant to the pricing of Delivery Confirmation on a nationwide basis. In any case, this report is not relevant to pricing of Delivery Confirmation for a FY 2003 test year.

Moreover, the audit concerns a service generally applied to the Postal Service's competitive products (e.g., Priority Mail and Package Services). The Postal Service is concerned that the report would foster a misleading perception of the quality of Delivery Confirmation, *by focusing attention on a few problem facilities, even though these facilities are reported to be fixing any problems.* Competitors would be able to use the report selectively to tarnish the image of the Postal Service's Delivery Confirmation product and the underlying competitive subclasses on which it is used. The report

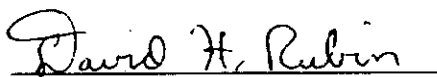
moreover provides facility specific data for the five facilities studied. The Postal Service therefore objects to providing this report on the grounds of commercial sensitivity.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

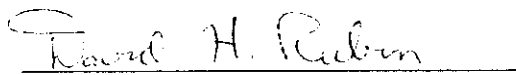
By its attorneys:

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David H. Rubin

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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