

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
INTERROGATORY OF THE DIRECT MARKETING ASSOCIATION, INC.
TO WITNESS TAYMAN
(DMA/USPS-T6-49(c))
(November 5, 2001)

The United States Postal Service hereby objects to interrogatory DMA/USPS-T6-49(c), in part. This interrogatory generally requests underlying site-specific calculations and Decision Analysis Reports (DARs) concerning AFSM 100 workhour savings contained in USPS-LR-J-49. The interrogatory is objectionable because responding would reveal facility-specific, pre-decisional and proprietary information. Also, some of the requested information would be burdensome to produce.

DMA/USPS-T6-49(c) specifically requests "all assumptions and calculations" explaining the derivation of the AFSM 100 workhour savings per machine included in USPS-LR-J-49.

The Postal Service will file a response that generally describes the process for calculating the savings and refers to USPS-LR-J-152, which contains two Decision Analysis Reports (DARs) concerning the AFSM 100, produced under protective conditions. 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.

To the extent that some of the calculations are reflected in Decision Analysis Reports (DARs), 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. Nonetheless, the Postal Service has produced the DARs pertaining to the AFSM 100 (with any site names, employee identifying information and contractor identifying information redacted) in USPS-LR-J-152, filed under protective conditions. Assuming that DMA is willing to comply with those conditions, it can obtain access to the information.

Moreover, the Postal Service believes that a review of the DARs produced under protective conditions should obviate the need to provide all of the underlying calculations. The DARs contain the national detailed cash flow information, which

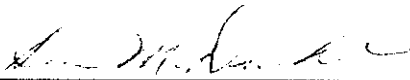
reflects the combined data results from the 281 sites. To the extent that there are differences between what is included in the DARs and what is contained in USPS-LR-J-49, as explained previously, this can reflect changes in equipment deployment schedules and changes resulting from budget negotiations, which cannot always be traced through specific calculations.

By providing explanations of the process for calculating the referenced workhour savings and by providing the DARs, the Postal Service believes that it will provide all of the information that is relevant and necessary for an understanding of these programs.

Respectfully submitted,

UNITED STATES POSTAL SERVICE


By its attorney:



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.



Susan M. Duchek

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2990; Fax -5402
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