

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, 1997

Docket No. R97-1

PARTIAL OBJECTION OF THE UNITED STATES POSTAL SERVICE
TO UPS INTERROGATORY UPS/USPS-T41-8(b)
AND MOTION FOR EXTENSION TO RESPOND
(August 25, 1997)

UPS interrogatory 8(b) to witness Takis, filed on August 13, requests copies of all contracts concerning the Xmas network, the Eagle network, and the Western Air network. While the Postal Service intends to respond to this request, it does so with two caveats. First, as some or all of these contracts contains some information that is proprietary to the Postal Service or the firms with which the Postal Service has contracts, such information needs to be redacted. Second, since the redaction process will require close consultation with the outside contractors, the Postal Service does not anticipate having the requisite material assembled by the date on which interrogatory responses are due. Counsel has been informed that the redaction process currently underway should be completed within two weeks of today. If some or all of the contracts are completed prior to that time, they will be filed as they become available. Therefore, the Postal Service moves for an extension of time to respond to this subpart of the interrogatory, such that all material would be due by September 8, 1997.

In essence, the Postal Service is proposing to handle this request in the same manner that a virtually identical request was handled in Docket No. R94-1. In that case, a redacted version of the TNET contract was filed as LR-G-186, a redacted version of the WNET contract was filed as LR-G-218, and an unredacted version of

the ANET contract was filed as LR-G-185.¹ A review of pleadings in that docket suggest no basis to question the conclusion that this arrangement ultimately was considered adequate by all interested parties in Docket No. R94-1, and thus should suffice in this case as well.²

Redaction is necessary to protect information that is proprietary to the contractors or the Postal Service³, and the Postal Service by this pleading intends to preserve its objection to this interrogatory to the extent that the requested contracts contain proprietary information. Presumably, this for the most part would be the same type of information regarding the contractors' internal operations that was redacted in Docket No. R94-1, as described in detail in witness Barker's response to NDP-T4-53 (Tr. 3/757). Not only is such information privileged, but it is also irrelevant to the issues to be addressed by the Commission in this proceeding.

Therefore, to the extent that UPS/USPS-T41-8(b) might be interpreted to require the provision of copies of contracts that are unredacted, the Postal Service objects to

¹ Although the ANET contract provided in Docket No. R94-1 was not redacted, assessment is still required to determine whether or not any of the modifications made since that time require redaction. If not, the ANET contract could presumably be provided again in unredacted form.

² In support of its motion for an extension, the Postal Service notes that any possible impact of the delay in furnishing copies of the redacted contracts is substantially mitigated by the fact that earlier versions of most of these contracts were provided in Docket No. R94-1. Although there have been modifications, it is our understanding that the basic contract structure remains the same. In terms of understanding these contracts for cost allocation purposes (their only legitimate application in this docket), there are unlikely to be any major revelations when the updated material is provided. Hence, the relatively short delay should cause no prejudice to any party.

³ An example of the type of information that would be proprietary to the Postal Service (as opposed to its contractors) would be any volume information on specific origin-destination pairs that conceivably might appear in a contract.

the request on the grounds of privilege and relevance. Moreover, the Postal Service requests an extension until no later than September 8 to file copies, redacted if necessary, of the relevant contracts.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

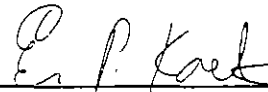
Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Eric P. Koetting

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.



Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2992; Fax -5402
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