

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

**REPLY OF THE UNITED STATES POSTAL SERVICE
TO MOTION OF NDMS TO COMPEL RESPONSE TO INTERROGATORY T32-16
(August 29, 1997)**

The United States Postal Service hereby files this reply to the August 22, 1997, Motion Of Nashua, District, Mystic & Seattle To Compel A Response To Interrogatory NDMS/USPS-T32-16. The Postal Service objected to the interrogatory on August 8, 1997.

The interrogatory in question requests that witness Fronk explain whether USPS Library Reference H-112 was prepared by postal employees or consultants, provide the names and titles of its primary authors, and identify all employees and/or consultants who had a hand in its preparation. It also asks that he provide a copy of any contract specifications, if the Library Reference was prepared by consultants. As stated in its objection, the Postal Service believes that NDMS/USPS-T32-16 seeks information which is *irrelevant to the substantive issues in this proceeding*.

Nevertheless, the Postal Service is willing to answer by indicating that the study, which was filed as USPS Library Reference H-112, was prepared by more than one analyst within the Product Cost Studies unit in Product Finance, USPS Headquarters, in connection with the development of the Postal Service's Docket No. R97-1 request. The study serves as the Postal Service's analysis of the costs associated with the handling of nonstandard-size First-Class Mail pieces and provides estimates of those costs. Those estimates provide the foundation for the First-Class Mail nonstandard

surcharges proposed by witness Fronk (USPS-T-32). As with countless other library references, H-112 was put together under the direction of postal managers responsible for the execution of cost studies which underlie Postal Service rate proposals.

The reasons advanced by NDMS for needing the identities of individual contributors to the study are not persuasive.¹ The study contained in USPS-LR-H-112 should be judged by its contents, not on the basis of who contributed to its contents. The study was performed by a functional component of the Finance Department whose principal responsibility is the production of cost studies in support of litigation before the Postal Rate Commission. Although witness Fronk is not its author or sponsor, he certainly can be questioned concerning his reliance upon USPS-LR-H-112. As with countless other Postal Service library references, there is no need to identify specific contributing individuals in order for the Commission or the parties to examine, criticize, or challenge its contents. NDMS's discovery practice in this proceeding amply demonstrates their ability to examine and seek clarification of the contents of the library reference, without regard to the identities of those who contributed to it.² As long as the Postal Service provides responses to NDMS inquiries about the contents of the study, then NDMS has engaged in "meaningful inquiry into the bases for the study."

¹ Whether the Postal Service or its analysts have previously published a study which is inconsistent with or at odds with the contents of USPS-LR-H-112 is already open to examination. NDMS may pursue such a line of inquiry by asking the Postal Service to produce copies of any such studies in its possession or to cite any studies known by its analysts to exist. Should such studies exist and inconsistencies be perceived by NDMS, then NDMS would be free to ask questions about their contents as well.

²And the Postal Service will continue to provide institutional responses to interrogatories, where appropriate.

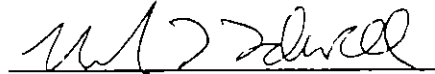
In light of the disclosure of the source of the study on page 1 of this reply, there is no reason for the disclosure of the names of the analysts who contributed to it, and the Postal Service should not be required to provide them.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

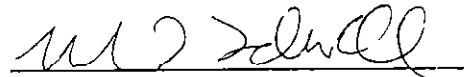
Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Michael T. Tidwell

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



Michael T. Tidwell

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