

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Postal Rate and Fee Changes, 2001

Docket No. R2001-1

DOUGLAS F. CARLSON
MOTION TO COMPEL
THE UNITED STATES POSTAL SERVICE
TO RESPOND TO INTERROGATORY DFC/USPS-20

December 6, 2001

On November 16, 2001, I filed interrogatory DFC/USPS-19. This interrogatory read as follows:

Please provide all memoranda and directives issued by Postal Service headquarters in 2000 or 2001, including those transmitted by electronic mail, relating to removal of collection boxes or collection receptacles or closing or restricting access to any types of collection boxes or receptacles (e.g., closing lobby parcel drops for security reasons).

On the same day, I filed interrogatory DFC/USPS-20. This interrogatory read as follows:

This interrogatory refers, in part, to the short newspaper article that appears below¹ from the November 3, 2001, issue of the *San Jose Mercury News*. Please provide all documents and memoranda issued by the San Jose District in 2000 or 2001, including those transmitted by electronic mail, to post offices relating to the removal of collection boxes for security, economic, or other reasons or relating to closing or restricting access to any types of collection boxes or receptacles (e.g., closing lobby parcel drops for security reasons).

¹ The text of the newspaper article was:

"People who spotted large blue mail collection boxes being removed this week from some Santa Clara streets got the first look at what a postal executive said will start happening next week from Santa Clara County to Kern County.

"Gus Ruiz, corporate spokesman for the postal zone, said Friday that boxes are being removed for security and economic reasons from areas where there is a low volume of business and traffic. Those in busy areas on main thoroughfares, near post offices or at postal contract spots will be kept."

On November 29, 2001, the Postal Service filed a response to DFC/USPS-19, stating that "No such documents have been identified."² On November 26, 2001, the Postal Service filed an objection to DFC/USPS-20, contending that "information on operational details such as collection box deployments within a single district would have no probative value in recommending the appropriate set of nationwide postal rates."³

In setting rates for First-Class Mail, the Commission must consider the value of the service. 39 U.S.C. § 3622(b). The statute specifically lists collection as a factor for the Commission to consider. The number and location of collection boxes generally is directly proportional to the value of the service. Similarly, the value of service generally is directly proportional to later collection times. Thus, many boxes with late collection times are likely to provide a higher value to First-Class Mail than fewer boxes and early collection times. With interrogatory OCA/USPS-292,⁴ the OCA is attempting to obtain evidence to prove a trend in recent years that is obvious to seasoned observers: local districts are shifting collection times to earlier hours to increase EXFC overnight performance scores and to increase bonus payments to postal managers. My interrogatories DFC/USPS-19 and 20 are designed to explore an action in at least one district that was reported in the newspaper: the removal of collection boxes.

Consistent with Rule 25(a), these interrogatories were reasonably calculated to lead to admissible evidence. DFC/USPS-19 properly sought information at the national level, which the Postal Service could have produced with minimal burden. The Postal Service provided no documents indicating a relevant written headquarters-level initiative. I did not stop with DFC/USPS-19, however, because area vice presidents and district managers have considerable opportunity to launch their own initiatives to reduce costs and services. The absence of a headquarters directive to remove collection boxes does *not* mean that a substantial number of districts or areas is not engaged in precisely this practice. Therefore, I filed DFC/USPS-20 to obtain further information

² Response of the United States Postal Service to Carlson Interrogatory DFC/USPS-19, filed November 29, 2001.

³ Objection of the United States Postal Service to Carlson Interrogatory DFC/USPS-20 at 2, filed November 26, 2001.

⁴ Office of the Consumer Advocate Interrogatories to United States Postal Service (OCA/USPS-255-305), filed November 26, 2001.

from the one district — the San Jose District — where I knew for certain that something was up. The initiative in the San Jose District might involve the blocking of lobby drops for parcels or other oversized pieces of mail for security reasons, an initiative that might affect the value of First-Class Mail as well as other classes of mail. Or this initiative might involve removal of street collection boxes to reduce costs. Or perhaps both activities are underway. Importantly, documents in the San Jose District may indicate that the Pacific Area requested that all districts in the Pacific Area begin removing collection boxes. Documents also might refer to a verbal discussion at Postal Service headquarters encouraging all field offices nationwide to begin to reassess collection activities. In short, the newspaper article concerning activities in the San Jose District is a specific insight that some activity is underway within the Postal Service to reduce the convenience of the collection system, thus potentially reducing the value of First-Class Mail service.

By asserting that DFC/USPS-20 seeks irrelevant information because it inquires into the activities of one district, the Postal Service is applying the wrong legal standard. According to Rule 25(a), an interrogatory is proper as long as it is reasonably calculated to lead to admissible evidence. The purpose of this interrogatory is to explore the scope of this initiative to curtail collection services. Documents at the San Jose District may reveal a scope far broader than the Postal Service would like to admit. As explained above, the impetus for the changes may have come from the Pacific Area or a person at Postal Service headquarters — or perhaps even the Postal Inspection Service. Thus, this interrogatory is reasonably calculated to lead to admissible evidence.

Strictly speaking, a better discovery approach to determine whether local offices are removing collection boxes perhaps might be to require the Postal Service to produce relevant documents from district and area offices and to require the Postal Service to produce data on the number of collection boxes in service in 1999, 2000, and 2001. I did not initially ask the former interrogatory because the Postal Service often asserts undue burden as a tactic to prevent discovery of relevant information that may not be originating from headquarters; of course, information on practices that are actually occurring in the field is the key to determining value of service, regardless of

whether the impetus for particular activities comes from headquarters. Since, however, the Postal Service objected to my interrogatory requesting information from the San Jose District, I have filed a follow-up interrogatory to DFC/USPS-19 to request documents from the area and district offices.⁵ This interrogatory now exists as an alternative discovery method if the presiding officer determines that DFC/USPS-20 was too narrowly focused because it requested information about activities in only one district. I also have filed DFC/USPS-22 to obtain information identifying the number of collection boxes in operation.⁶ Once again, this interrogatory follows up on the empty response to DFC/USPS-19 and provides an alternative discovery approach to DFC/USPS-19 and 20.

In sum, I move for a ruling directing the Postal Service to respond to DFC/USPS-20 because this interrogatory is reasonably calculated to lead to admissible evidence on the convenience of the collection system, an issue that, beyond a shadow of a doubt, is relevant to the value of First-Class Mail service.

Respectfully submitted,

Dated: December 6, 2001

DOUGLAS F. CARLSON

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the required parties in accordance with section 12 of the *Rules of Practice*.

DOUGLAS F. CARLSON

December 6, 2001
Berkeley, California

⁵ Douglas F. Carlson Follow-up Interrogatories to the United States Postal Service (DFC/USPS-21-22), filed December 6, 2001.

⁶ *Id.*