

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

OBJECTIONS OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY VP/USPS-T39-63
(December 20, 2001)

In accordance with Rules 25 and 26 of the Commission's Rules of Practice and Procedure, the Postal Service hereby objects to interrogatory VP/USPS-63, filed on December 10, 2001. The text of this interrogatory is as follows:

In Docket No. R-2000, engineering studies were cited which pertained to city carrier methodologies and costs. Do any of those studies contain data or analyses that would illuminate the handling processes as well as time and cost, both in the office and on the street, for ECR mail generally, and for DALs and pieces that accompany DALs? If your answer is anything other than an unqualified negative, please provide (i) the applicable engineering studies as a library reference, and (ii) citations to where the pertinent information for ECR mail and DAL mailings can be found in those engineering studies.

The Postal Service objects to providing the requested response, or to performing the enormously burdensome review of voluminous documentation which a response to the question would entail. As is undoubtedly quite familiar to many participants in the last omnibus rate proceeding, the Engineering Studies (ES) data that are the focus of the interrogatory at issue were the subject of considerable controversy and innumerable procedural challenges in Docket No. R2000-1. In the context of discovery regarding the ES data, the Commission repeatedly found that due to the nature of the ES documentation, in terms of its confidentiality and commercial sensitivity, as well as its

sheer scope and bulk, access to it not only required the imposition of stringent protective conditions, but also creative use of off-the-record inspection of original documents and technical briefings to manage the discovery then underway. See, e.g., Docket No. R2000-1, Presiding Officer's Ruling No. R2000-1/27 (March 31, 2000).

Perhaps more importantly, despite the Postal Service's diligent efforts to provide extensive additional access to and documentation of the ES data, as well as additional testimony regarding its potential usefulness in the Commission's ratemaking deliberations, the Commission ultimately reached the conclusion that the ES studies were not undertaken in a manner that would render them suitable for use in PRC proceedings. See Docket No. R2000-1, Opinion and Recommended Decision, Volume 1, at 109-120.

Given this checkered history, the Postal Service declined to rely upon the ES data in this proceeding. Since the Commission found the ES studies fatally defective in the last case, it would seem quixotic in the extreme for the Postal Service or any other party to undertake the effort to rehabilitate it in this case. Furthermore, given the extensive and voluminous nature of the ES documentation, as well as its commercial sensitivity, one can only marvel at the fact that Val-Pak chose to delay by three months its inquiry into the possible applicability of the ES data in this case.

The Postal Service thus objects that interrogatory VP/USPS-63 is unlikely to lead to the production of evidence suitable for use in this proceeding. Even if the requested information were considered to be useable in this case, moreover, the ES data have been repeatedly found to be commercially sensitive, and, should any access to them be allowed, such access must be governed by strict protective conditions. Furthermore,

due to the large volume of potentially responsive documents involved, the Postal Service objects to the imposition on it of the huge burden of identifying those particular pages among thousands that might arguably be said to "illuminate the handling processes as well as time and cost, both in the office and on the street, for ECR mail generally, and for DALs and pieces that accompany DALs." The Postal Service estimates that, assuming that all of the documentation previously available can be located, retrieved and reconstituted in a logical order, the task of formulating even a cursory answer to this interrogatory would require between 50 and 100 person-hours.

The difficulty in answering Val-Pak's question is compounded by the fact that the facility that housed the ES data is no longer occupied by the Postal Service, and it is unclear at this time where and under what circumstances the roomful of ES documentation formerly housed at that facility has been stored. Furthermore, the Postal Service no longer has at its disposal the services of those persons most familiar with the ES data and its documentation.

Given the previous rejection of the ES data by the Commission in the last rate case, the Postal Service, which does not advocate its use in this case, should not be

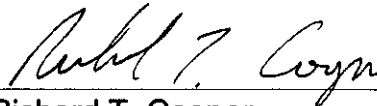
required to undertake the enormous burden of retrieving, reviewing and producing that data, as contemplated by interrogatory VP/USPS-63.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

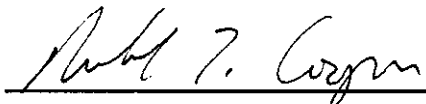
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December 20, 2001

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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