

# DOCKET SECTION

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION  
THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

## OBJECTION OF THE UNITED STATES POSTAL SERVICE TO DMA INTERROGATORIES DMA/USPS-T4-57 AND 59 (September 25, 1997)

On September 15, 1997, DMA filed DMA/USPS-T4-57 and 59, directed to witness Moden. The questions solicit an identification of previous instances in which the Postal Service has provided testimony on the suitability of MODS "as a costing system" (No. 57), or rebutted intervenor attempts to use MODS in a cost analysis (No. 59). The Postal Service objects to these interrogatories.

Any information that might be responsive to the DMA request is public information, contained within the files of previous Commission dockets to which DMA is highly likely to have been a party. It would not be inconceivable that the Postal Service had recently done research to compile the type of information DMA seeks. If this were the case, the Postal Service would provide the results of that research. In that sense, the request itself is not necessarily improper *per se*.

But the fact of the matter is that the Postal Service has not done any such research, and is not otherwise readily aware of instances that would appear to be specifically covered by the DMA request.<sup>1</sup> Under these circumstances, it would now

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<sup>1</sup> One possible exception might be the testimony of Marc Smith in Docket No. MC95-1. In that case, USPS-T-10 at 20-21, witness Smith discussed the fact that MODS data (i.e., productivities) were being used in situations in which the Postal Service previously had relied upon special studies. The wording of interrogatory 57, regarding "the suitability of MODS as a costing system," might be construed to cover this testimony. Mr. Smith was not proposing to use MODS as a "costing system"

be just as easy for DMA to search the record from old cases as it would be for the Postal Service. In fact, it is possible that DMA has already done such research, and is itself aware of specific instances that would be covered by its request. Whether DMA has already done some research or not, it would appear that if DMA wishes to pursue this line of inquiry, it should take whatever steps are necessary to cite specific instances that it wishes to have addressed. It would be unduly burdensome to seek to impose on the Postal Service the obligation to do research that DMA apparently feels might be supportive of its own case, when DMA is itself equally capable of such research. In particular, the Postal Service objects to being put in a situation in which a failure to identify any instance of the type specified that might have occurred in the 25-plus years of postal ratemaking could result in an allegation that the Postal Service has failed to answer the question fully and accurately.

In properly seeking to avoid burdensome research for which, at this particular juncture in the proceeding, it has neither the time nor the resources, the Postal Service is not seeking to conceal information of which it is aware simply because it might be construed as harmful to its case. To the extent that the new mail processing methodology uses MODS information in ways it has never been employed for postal ratemaking, the Postal Service acknowledges that the new methodology marks a departure from the old methodology, and is fully prepared to defend its new methodology. While the Postal Service might not be aware of all the things that might have been said over the years in which the old methodology was the best one available, it seems highly unlikely that any of those things were said in a context that

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(which it is not), but rather to utilize certain MODS data as part of cost modeling efforts. In any event, his testimony may be considered relevant to the general topic. Another item that might be considered (at most) tangentially relevant is the testimony of witness Garvin in Docket No. MC96-1, USPS-T-3 at 8-9.

would be directly applicable to the facts of this case.

For example, from time to time in the past, there probably have arisen situations in which researchers have considered utilizing MODS data in costing analyses. In some such instances, the Postal Service has probably had occasion to note specific limitations of MODS data that have made its use inappropriate for the purpose contemplated at that time. (It may be worth noting that those instances would have probably been more likely to occur in the context of discovery disputes than in the context of actual testimony, to which the interrogatories in question are limited.) The Postal Service, however, has no reason to believe that it would be unable to distinguish any such situations, if the need arose.

The main point to be made, though, is that the Postal Service has made no effort to identify these situations, and has no means of conducting an exhaustive identification effort that is any different than a similar effort that could just as easily be undertaken by DMA. If and when DMA identifies specific instances in which the Postal Service questioned the use of MODS data, the Postal Service is certainly willing to try to explain how its positions in those instances can be reconciled with its position in this case. Each instance, of course, would have to be addressed in the context of the specific situation involved. As currently posed, however, the Postal


Service objects to DMA/USPS-T4-57 and 59.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

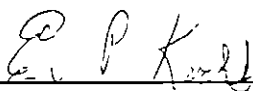
By its attorneys:

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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.

  
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Eric P. Koetting

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