

# DOCKET SECTION

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

OBJECTION OF UNITED STATES POSTAL SERVICE TO OFFICE OF THE  
CONSUMER ADVOCATE INTERROGATORIES OCA/USPS-71-73, 74 (a) and (b),  
75(a) and (b), 76-78  
(September 26, 1997)

The United States Postal Service hereby objects to Office of the Consumer Advocate interrogatories OCA/USPS-71-73, 74(a) and (b), 75(a) and (b), 76-78, filed on September 16, 1997. The information requested in numbers 71-73, 74(a) and (b), 75(a) and (b), and 76 is irrelevant, burdensome to produce and, in some instances can be produced by the OCA itself. The information requested in numbers 77 and 78 is not required by either the letter or the spirit of revised Rule 54(a)(1). The interrogatories, taken together, constitute an abuse of the discovery process.

OCA/USPS-71 requests that the Postal Service provide a list of the steps necessary for each rate element for each rate design witness that would be required to compute costs if mail processing costs were assumed to be 100 percent variable. OCA/USPS-72 asks the Postal Service to identify every page, row and column of each base year workpaper, every page and line number of the base year model, and all pages, rows and columns of Exhibit USPS-5A that would have to be modified if 100 percent volume variability for mail processing labor costs was assumed. OCA/USPS-73 asks for similar detail for the Test Year. OCA/USPS-74 (a) and (b) requests that all modifications needed to LR-H-77 and LR-H-146PIGGYF96 program

if 100 percent variability were assumed be described. OCA/USPS-75 (a) and (b) requests that the programs and lines of code in LR-H-146 and pages and lines of LR-H-106 that would need to be modified under the 100 percent variability assumption be identified. OCA/USPS-76 asks that any steps in addition to the primary steps identified in the response to MMA/USPS-T32-37b necessary to compute the test year mail processing unit cost for bulk metered First-Class single piece letters under the 100 percent variability assumption.

These interrogatories constitute an abuse of the discovery process. They also threaten to bring ratemaking proceedings to a screeching halt. The simple fact of the matter is that the Postal Service, in this filing, did not assume 100 percent variability of mail processing labor costs. The OCA's plea that it be instructed how to "undo" all of this is basically irrelevant to the Postal Service's proposals. Moreover, if every time a change in costing methodology is made, everyone needs to be given a detailed "road map" on how to do things the "old way", then ratemaking proceedings are sure to bog down endlessly. It seems unlikely under such a scenario that proceedings could be concluded within the statutorily mandated ten month period.

To the extent that the OCA may want to make its own proposals assuming 100 percent volume variability of mail processing labor costs, it should be able to do so. The Postal Service has extensively documented its case, as required by the Commission's rules. The Postal Service, perhaps more than other participants in ratemaking proceedings, is cognizant of the detail and complexity required in its costing presentations in order to comply with the Commission's documentation

requirements. As the Commission itself has acknowledged, "The Postal Service's attributable cost presentations are more complex and more detailed than those required of most public utilities." *Docket No. RM97-1, Order No. 1176, May 27, 1997, at 6.* This detail and complexity, however, do not excuse the OCA or other participants from doing their homework.

In most instances, the OCA should be able to trace through lines, columns and rows of workpapers and library references that would have to be changed if the 100 percent variability assumption is made. The OCA certainly has shown that it knows how to examine documentation and ask focused questions when it wants to. For example, OCA asked witness Degen to confirm that only specifically listed programs in LR-H-146 would need to be updated to correspond to corrections to his Table 4 variabilities. *See OCA/USPS-T12-59, filed September 11, 1997.* The Postal Service already shoulders the burden of complying with the Commission's intricate and extensive filing requirements. Once the Postal Service has produced the required information, it is improper for the OCA to ask the Postal Service to reproduce the same information in a format more to the OCA's liking.

The Postal Service estimates that it could take a total of several full weeks for it to provide the "road map" that the OCA wants. This burden is unjustified since the OCA should be capable of doing the work itself by tracing through the documentation already provided and asking specific questions. The Postal Service should not have to devote its resources to this task and take time away from responding to other

legitimate discovery requests, simply because the OCA prefers not to do its own work.

With regard to interrogatories OCA/USPS-77 and 78, the Postal Service, as it has stated repeatedly, has complied with both the letter and the spirit of revised Rule 54(a)(1). The reasons why the Postal Service should not have to respond to discovery on the Commission's costing methodology have been spelled out in detail in previous pleadings in this docket and will not be repeated here. *See Objection of the United States Postal Service to Major Mailers Association Interrogatories MMA/USPS-T5-1 and 6(b), MMA/USPS-T25-1(B) and (C), MMA/USPS-T30-3(A) through (D), 4(A) through (D), 6, 7(A)(2) and 8(C)(1) through (3), AND MMA/USPS-T32-15(b), August 25, 1997; Opposition of United States Postal Service to Major Mailers Association's Motion to Compel Answers to Certain Interrogatories and the Office of the Consumer Advocate Reply in Support Thereof, September 15, 1997; and Opposition of the United States Postal Service to Major Mailers Association Motion Requesting Leave to File a Reply or, in the alternative, Motion for Leave to Respond to the Reply, September 24, 1997.* For all of the reasons stated in those pleadings, the Postal Service should not have to provide responses to the OCA interrogatories.

With a substantial number of interrogatories still pending and with hearings fast approaching, the Postal Service should not be required either to do OCA's work for it or to answer ever more questions about its Rule 54(a)(1) alternate cost presentation.


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Respectfully submitted,

UNITED STATES POSTAL SERVICE


By its attorneys:

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**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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Susan M. Duchek

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