

Before the
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Postal Rate and Fee Changes, 2006)

Docket No. R2006-1

OFFICE OF THE CONSUMER ADVOCATE MOTION TO COMPEL
RESPONSES TO INTERROGATORIES OCA/USPS-100-108 (REVISED)
(December 13, 2006)

The Office of the Consumer Advocate (OCA) respectfully requests that the Presiding Officer direct the Postal Service to furnish the data sought in interrogatories OCA/USPS-100-108. These interrogatories, which were submitted on November 15, 2006, seek data from the Delivery Operations Information System (DOIS) for a three-year period ending September 30, 2006. The instant motion to compel has been filed because the Postal Service objected to provision of the requested data on November 27, 2006.¹

Several grounds for objection are articulated by the Postal Service:

Burden – (1) the burden of developing a comprehensive DOIS database for every city carrier route in every ZIP code for every delivery day over a 3-year period; and (2) the burden of identifying every ZIP code reconfiguration from FY 2004 – FY 2006.

Proprietary interest – (1) the disadvantage to the Postal Service in releasing disaggregated volume and labor hour information for every carrier route; and (2) an intellectual property interest in the DOIS design.

¹ “Objection of the United States Postal Service to Interrogatories of the OCA (OCA/USPS-100-108).”

Timing of the discovery request – the Postal Service contends that an inability to use the discovery responses in the current rate case automatically disqualifies it for provision.

Questionable value of the data requested – the Postal Service contends that the evaluation of the merits of DOIS is still too preliminary to warrant the expense of furnishing all of the data requested by OCA.

A careful reading of the Postal Service's objection has led OCA to conclude that it is appropriate to scale down the request made on November 15. To begin with, it is evident from the description of the burden associated with developing the comprehensive DOIS database (specified in interrogatory OCS/USPS-100) that it is not possible for the requested data to be filed in the current rate case. Consequently, OCA does not press for the full database requested in interrogatory no. 100. However, OCA does ask the Presiding Officer to direct the Postal Service to provide any of the data requested in interrogatory no. 100 that may already have been **produced** and that is amenable to fairly expeditious provision. There is reason to believe that this may be the case. As was noted by the Presiding Officer in the last rate case,²

The Postal Service [itself] is interested in using regularly collected DOIS data to update the Bradley study in the future [USPS-T-14 at 19], which implies that someone in the Postal Service is staying abreast of issues bearing on the suitability of DOIS for system-wide cost analysis.

Therefore, if the Postal Service has already developed even a partial database of the type requested in interrogatory no. 100, OCA moves that it be provided.

² Presiding Officer's Ruling No. R2005-1/46, "Presiding Officer's Ruling Granting, in Part, Office of the Consumer Advocate Motion to Compel Responses to Interrogatories OCA/USPS-74, 76-77, 100(A), and 101," issued July 8, 2005, n. 6.

With respect to the “ZIP Code Characteristics” sought in part b. of interrogatory 100, OCA will accept the provision of this information under confidential conditions so that the public’s use of the information can be strictly controlled. Acquiescence to this restriction should allay the Postal Service’s concern that the ZIP code characteristics make possible an easy identification of the ZIP codes themselves.³

Likewise, any propriety interest the Postal Service may have in carrier route volumes and hours information can be protected by treatment of the data as confidential. In addition, OCA accedes to the treatment of “DOIS procedures and practices that constitute valuable intellectual property”⁴ in a confidential manner.

With respect to the timing of the discovery request, OCA notes that, in the last rate case – Docket No. R2005-1, the Presiding Officer recognized the difficulty participants face in attempting to develop and utilize databases alternative to those presented and used by the Postal Service; the ruling includes a statement that suspension of “normal” procedural deadlines may be warranted. According to the Presiding Officer:⁵

[The Postal Service] suggests that the OCA’s day in court should come at some point down the road, presumably in a subsequent omnibus rate case. What the Postal Service leaves unanswered, is how the OCA or any other participant who wants to develop an alternative study based on an alternative dataset could ever get its day in court, under the restrictions that the Postal Service would have me impose.

³ Objection at 4.

⁴ Id. at 5.

⁵ POR No. R2005-1/46 at 13-14 (emphasis added).

The Postal Service is the source of virtually all data that are relevant to postal ratemaking. It has recently made it clear that it does not believe that it has a duty, outside of omnibus rate cases, to give the outside world access to any cost database – including those that it routinely assembles and relies on to produce its own costing analyses. . . . If the Postal Service is correct, however, that it takes six months to make a database suitable for ratemaking . . . participants would be effectively barred from ever basing a study on a database that the Postal Service had not already compiled to serve its own ratemaking objectives and provided in a prior rate case.

If the Postal Service will not provide access to cost databases between rate cases, and cannot assemble alternative databases of “rate case quality” in time for participants to use while a rate case is pending, it effectively prevents the use of any alternative database in postal ratemaking. Under the conditions that the Postal Service would have me impose, participants, including the OCA, could never exercise their due process right to present alternative cost analyses that employ alternative datasets. . . . Inherent in that right is a right to submit alternative cost analyses based on databases other than those that the Postal Service has itself endorsed. This requires that a path be made available by which a participant has a realistic chance to present an alternative cost analysis based on data other than those that the Postal Service has specifically endorsed.

If a potential participant is to have no assistance from the Postal Service toward this goal between rate cases, rate cases must follow procedures that provide such a path. *If that means exempting an analysis that proposes to use an alternative dataset from the normal procedural deadlines, that solution will have to be considered.*

It is significant that the data in question are city carrier cost data which the Postal Service rigidly refuses to release outside of an omnibus rate case.⁶ As is contemplated by POR No. R2005-1/46 (at 14), improved cost analyses may consume several rate cycles. If such be the case, the fact that OCA requests this data near the time that the record will be closed is not a controlling factor. OCA has been frank in its interest to use

⁶ Id. at 13.

the data in preparation for future proceedings. Also, provision of the data as a Library Reference will not require that the record be re-opened.

Not surprisingly, OCA disagrees with the Postal Service's contention that DOIS data are not suitable for the econometric analysis of city carrier costs. OCA witness Smith presents volume variability results from the DOIS database furnished by the Postal Service earlier in this proceeding. OCA finds these data to have significant advantages over the extremely limited City Carrier Street Time Study(CCSTS) database that were collected over only an 11-day period. As was noted by the Presiding Officer in Ruling No. 46,

Route realignment is the essential feature of carrier street time variability, according to Postal Service witness Bradley. The two-week period to which the Bradley study is confined, however, does not capture it. . . . An argument can be made that the data that the OCA seeks, because it has a much longer time dimension, is more likely to capture route realignment effects. For this reason, the OCA's proposal may add significantly to the analysis of carrier street time variability.

Several of the interrogatories to which the Postal Service objects do not appear to present burden or privilege difficulties, but merely relate to the formality of "timing." OCA interrogatory OCA/USPS-101 seeks studies, analyses, reports, or discussions addressing difficulties in collecting, measuring, standardizing, cleaning, or processing DOIS data. If the Postal Service has such reports, they are directly relevant to OCA's use of the data in the testimony of witness Smith. They are also relevant to the CCSTS database that made use of DOIS data whenever possible. Such documents may be valuable to the Commission in weighing the CCSTS data witness Bradley uses against the DOIS data used by witness Smith.

Interrogatory OCA/USPS-102, which seeks critiques and/or analyses of the usefulness and reliability of DOIS data, is clearly relevant to the CCSTS v. Smith data comparison. This is equally true of interrogatory OCA/USPS-103, which requests standardization, quality control, correction and manipulation procedures for DOIS data. If answered, interrogatories OCA/USPS-104 and -107 will supply an important understanding of the details of data collection. Interrogatory OCA/USPS-105 asks about the relationship between ZIP codes and city carrier routes. An answer to interrogatory OCA/USPS-106 will provide a greater understanding of how volume data are collected.

As for interrogatory OCA/USPS-108, OCA is willing to scale down its request to information on ZIP-code reconfiguration that may be accessed without an excessive expenditure of resources.

Based on the arguments set forth above, OCA respectfully requests that the Postal Service be directed to provide complete answers to interrogatories OCA/USPS-101-107, and partial answers to interrogatories 100 and 108.

Respectfully submitted,

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Text of interrogatories OCA/USPS-100-108:

OCA/USPS-100. This is a request for data from the Delivery Operations Information System (DOIS) database by ZIP/Route/Day of Week. Data are requested for two distinct sets:

- Data for all ZIP codes and routes identified in USPS-LR-L-180. Data are requested on a daily basis for the time period October 1, 2003, through, and including, September 30, 2006.
- Data for all City Carrier Delivery Routes in the postal network (within their corresponding ZIP codes), for the time period October 1, 2003, through, and including, September 30, 2006. Please omit special purpose routes.

The following data items are requested:

(a) Route Characteristics

- Route Number (this may be encoded)
- Delivery Mode, where
 - o C = curbline
 - o F = foot
 - o P = park & loop
 - o D = dismount
 - o O = other
 - o X = delivery mode not reported
- Classification of delivery points by type of delivery point.
 - o Number of residential curbline possible delivery points
 - o Number of residential NDCBU possible delivery points
 - o Number of residential centralized possible delivery points
 - o Number of residential "other" possible delivery points
 - o Number of business curbline possible delivery points
 - o Number of business NDCBU possible delivery points
 - o Number of business centralized possible delivery points
 - o Number of business "other" possible delivery points
- Whether a route has a specific carrier assigned to it.
- Number of carriers delivering the mail on the route for each particular day.
- Route vehicle mileage

(b) ZIP Code Characteristics

- ZIP Code (this may be encoded)

- Population
- Units - Total housing units
- Land - Square miles of land area
- Water - Square miles of water area

(c) Delivery Dates

Please provide the delivery dates; also:

- Please identify each date that falls on a Sunday.
- Please identify each date that is a Postal Service holiday, i.e., when mail is not delivered.
- Please identify each route that is a business route.
- Within the set of business routes, please identify each route that does not receive Saturday delivery.

(d) Time Data

- (Managed Service Point) MSP Scan data
 - o Scan for Hot Case
 - o Scan for first route delivery point
 - o Scan for last route delivery point
 - o Scan for re-entry to delivery office
- Street Hours (from the Time and Attendance Control System (TACS)), as measured by
 - o Clock out to street
 - o Clock back in from street

(e) Mail Volumes

- Total Delivery Point Sequenced Mail
- Automated flats
- Automated letters
- Cased flats
- Cased Letters
- Parcels
- Priority Mail
- Sequenced flats, pieces
- Sequenced flats, number of sets
- Sequenced letters, pieces
- Sequenced letters, number of sets

(f) Please provide definitions, or documentation references for the definition, for each variable provided. Identify all abbreviations or codes used in the database for each variable, i.e., state exactly what type of data is represented by each abbreviation, code, or label.

OCA/USPS-101. Has the Postal Service conducted, or does the Postal Service have available, any studies, analyses, reports, or discussions addressing difficulties or problems in collecting, measuring, standardizing, cleaning, or processing Delivery Operations Information System (DOIS) data? If the answer is affirmative, please provide all such materials. Also, identify and describe any changes made by the Postal Service to ensure that the difficulties were eliminated or reduced.

OCA/USPS-102. Has the Postal Service conducted, or does the Postal Service have available, any critiques and/or analyses of the usefulness and reliability of Delivery Operations Information System (DOIS) data? If the answer is affirmative, please provide the analyses and studies.

OCA/USPS-103. Please provide a description of the USPS standardization, quality control procedures, and data/information correction and manipulation procedures that are applied to the Delivery Operations Information System (DOIS) data. Please describe whether and/or how the procedure(s) have changed over time.

OCA/USPS-104. Please describe the extent to which the Delivery Operations Information System (DOIS) database observations for data items normally collected are either not collected or are subsequently eliminated by quality control efforts, resulting in entries that are zero or blank.

(a) How does one know when zero time or zero volume data for a route-day are due to a non-delivery day?

(b) How does one know when zero time or zero volume data for a route-day are due to failure to collect the data?

(c) How does one know when zero time or zero volume data for a route-day are due to correction and subsequent elimination of the data item(s)?

OCA/USPS-105. Excluding special purpose routes, if a ZIP code is represented in the Delivery Operations Information System (DOIS) data, does the Postal Service attempt to collect DOIS data for routes and carriers for all days in that ZIP code? If the answer is negative, please explain.

OCA/USPS-106. For each of the mail volumes collected by the Delivery Operations Information System (DOIS) (e.g., DPS, automated letters, etc.) please state who collects and measures the volume (i.e., the letter carrier making a physical count, the delivery supervisor making a physical count, a sorting machine read by a manager, tubs of mail converted by someone into piece counts, etc.) and at what stage of the mail processing/distribution chain the data are collected (e.g., at the MODS facility, at the distribution facility, etc.). Have there been any changes in how the volumes are

collected? If so, please describe all such changes and give the dates (approximate dates are acceptable) for such changes.

OCA/USPS-107. Does the Delivery Operations Information System (DOIS) consistently include a zeroed observation for each Sunday and holiday?

- (a) Please explain.
- (b) Please explain how one can determine when zero Saturday observations are errors and when they occur simply because the observations are for business routes that are not delivered on Saturdays.
- (c) Please provide (or describe) the instructions given to delivery supervisors on how to enter Saturday data. If a route is not delivered on a Saturday (such as a business route), how should a delivery supervisor notate that in DOIS?
- (d) Please provide (or describe) the instructions given to delivery supervisors on how to treat Sundays when entering data in DOIS.
- (e) Please provide (or describe) the instructions given to delivery supervisors on how to treat postal holidays in DOIS. For purposes of this question, a postal holiday is defined as one that would normally be a delivery day, but for the holiday (i.e., no mail is delivered).

OCA/USPS-108. Have any ZIP codes been re-configured during the time period 10/1/03 through 9/30/06 within the strata referenced by witness Kelley in R2005-1?

- (a) Assuming that the response is affirmative, please provide a listing of ZIP code changes (encoded) by strata and explain the nature of the change.
- (b) Please provide a listing of new ZIP codes that were added to the postal network during the period 10/1/03 through 9/30/06.
- (c) Please provide a comprehensive list of all ZIP code re-configurations that took place during the period 10/1/03 through 9/30/06 (for ZIP codes that had one or more city carrier routes). Explain the nature of the re-configurations.