

DOCKET SECTION

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

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POSTAL RATE AND FEE CHANGES, 1997

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY
Docket No. R97-1

OBJECTION OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE NATIONAL FEDERATION OF NONPROFITS
DIRECTED TO U.S. POSTAL SERVICE WITNESS TALMO
(NFN/USPS-TALMO-1)

In accordance with Rules 25 and 26 of the Commission's Rules of Practice and Procedure, the Postal Service objects to interrogatory NFN/USPS-TALMO-1 directed to witness Talmo (USPS-ST-50). This interrogatory, which bears a date of November 14, 1997, was filed on November 17, 1997. Although the heading of the interrogatory intends that it be directed to witness Talmo, the subject matter of the interrogatory pertains to the final adjustments to the total volume variable costs of Standard (A) subclasses, which are summarized in witness Patelunas' Exhibit USPS-151.

The adjustments in Exhibit 151 consist of changes to the total costs for various subclasses, as developed by various witnesses in this docket. For Standard (A) subclasses, the adjustments in witness Patelunas' Exhibit USPS-151 primarily reflect changes in total costs occasioned by migration patterns presented in witness Moeller's workpapers. See WP1 at 24; WP2 at 34. Notwithstanding, interrogatory NFN/USPS-TALMO-1 asks whether other factors, such as worksharing behavior or dropship profile, account for the difference in the relative declines in the costs for

Standard (A) Regular and Nonprofit subclasses.¹

The Postal Service objects to interrogatory NFN/USPS-TALMO-1 on the grounds that 1) it is filed after the close of discovery on the Postal Service's direct case and is, accordingly, late; 2) it is beyond the scope of permissible discovery at this stage of the proceeding, and 3) it is beyond the scope of witness Talmo's testimony.

Commission Order No. 1200 granted participants the opportunity to conduct written cross-examination on "written discovery on the materials identified in the United States Postal Service Response to Presiding Officers Ruling No. R97-1/42, filed October 14, 1997" Order No. 1200 at 1-2. The scope of permissible discovery at this stage of the proceeding is accordingly confined to library reference materials that are to be received into evidence in accordance with Order No. 1201 and P.O. Ruling No. R97-1/54, as corrected by P.O. Ruling No. R97-1/55. Order No. 1201 directs the Presiding Officer to schedule a period for written discovery only on the library reference materials that will be received into evidence. Order No. 1200 at 20. Presiding Officer's Ruling No. R97-1/54, as corrected by P.O. Ruling No. R97-1/55, authorizes written discovery on the "supplemental direct evidence" to continue through November 14. Nothing in those orders or rulings grants participants the right

¹ The adjustments for Standard (A) Regular and Nonprofit subclasses in witness Patelunas' Exhibit USPS-15I primarily reflect the relative volumes of carrier route presorted mail that are expected to migrate from ECR and NECR Basic categories to Regular and Nonprofit automation 5-digit categories. The relative migration levels within Nonprofit and Regular accordingly account for the differences in the percentage changes in Regular and Nonprofit costs. Differences in destination entry or worksharing behavior between Nonprofit and Regular would not explain the relative percentage changes for these subclasses in Exhibit 15I.

to conduct unlimited discovery on any aspect of the Postal Service's filing.

Interrogatory NFN/USPS-TALMO-1 plainly does not relate to witness Talmo's testimony, or to the mail characteristics studies incorporated therein, or to any library reference material for which discovery is permitted. See USPS-ST-50. As their names suggest, the studies incorporated in witness Talmo's testimony pertain to the characteristics of the mail, such as counts of containers by container presort level, counts of pieces by container presort level, counts of packages and pieces in packages by package presort and container presort level. Nothing in these library references translates these characteristics into cost figures, or discusses the relative changes in Standard (A) Nonprofit and Regular costs that are reflected in Exhibit 15I. Consequently, interrogatory NFN/USPS-TALMO-1 is beyond the scope of witness Talmo's testimony. Moreover, since the interrogatory relates to matters that are not in library reference materials, but rather could have been asked of witness Moeller at the appropriate stage of the proceeding or at hearings on the Postal Service's direct case, it is untimely filed.² Furthermore, even assuming that NFN could establish some nexus between the interrogatory and library reference materials for which discovery is permitted pursuant to Order Nos. 1200 and 1201, the interrogatory is untimely filed under P.O. Ruling Nos. R97-1/54 and R97-1/55.

² In fact, witness Moeller was asked questions about these adjustments. For instance, in his response to MMA/USPS-T36-12, Tr. 6/2772-73, witness Moeller described the necessity and the basis for the adjustments.

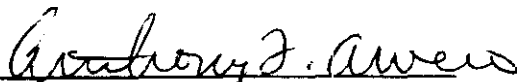
WHEREFORE, the United States Postal Service objects to interrogatory NFN/
USPS-TALMO-1.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:


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November 21, 1997

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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November 21, 1997