

DOCKET SECTION

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

Docket No. R97-1

POSTAL RATE AND FEE CHANGES, 1997

UNITED STATES POSTAL SERVICE OBJECTION TO INTERROGATORIES DFC/USPS-19-22 (December 8, 1997)

The United States Postal Service hereby objects to interrogatories DFC/USPS-19-22, filed on November 26, 1997, for the reasons discussed below.

Interrogatory DFC/USPS-19 consists of 18 parts seeking extensive information regarding a system that, among other purposes, collects information regarding whether postal facilities meet their post office box cut off times. The Postal Service objects to this interrogatory on the grounds of relevance, materiality, commercial sensitivity, lateness, and burden.

The interrogatory follows up on the Postal Service's response to DFC/USPS-9, in which the Postal Service stated that it "is in the process of rolling out a system that monitors whether respective facilities meet their box cut off times." The Postal Service also provided the system's guidelines for collecting information regarding how it monitors post office compliance with stated cut off times. Interrogatory DFC/USPS-19 then asks for:

- (a) when the Postal Service began planning this system;
- (b) all information relating to the reasons why this system was developed;
- (c) the meaning of "in the process of rolling out", as well as a timetable for implementation;

- (d) a list of post offices in which this system exists, and for each such post office, the date of implementation, an analysis of the success of the system, and a report on operational changes resulting from the system;
- (e) whether the system requires all post offices to post a cut off time for box mail;
- (f) whether a post office can avoid the system by removing its signs indicating a cut off time for delivery of box mail;
- (g) the difference between the "scheduled" and "posted" time for box mail to be finalized and available to customers;
- (h) whether a unit is considered to be on time only if the box mail is distributed to the boxes not later than the scheduled and posted cut off time;
- (i) a quantitative definition of "consistently" as used in the sentence from the system guidelines: "If a unit consistently fails to meet the box cut off time, analysis should be done to review possible actions to help the unit meet the cut off time.";
- (j) whether analysis "must" be done when a unit consistently fails to meet the box cut off time, and, if not, why not;
- (k) how the Postal Service will determine the needs of customers if failure to meet a cut off time is not effective and the Postal Service considers moving the cut off time;
- (l) whether it would be reasonable for a unit to move its box delivery cut off time to a later time to improve consistency in meeting the cut off time, when First-Class Mail is received by the unit at 7:00 a.m., and the current cut off time is 11:00 a.m.;
- (m) whether the 11:00 a.m. cut off time for such a unit is reasonable;
- (n) how often a unit's performance will be monitored under the system;
- (o) whether the unit's staff will be aware of the monitoring while it is taking place;
- (p) whether the manager of the facility will be aware of the monitoring more than one day before the monitoring begins, and, if so, how many days before the monitoring;
- (q) whether the personnel who conduct the monitoring will work for the post office that is being monitored, and, if not, for what office will these personnel work; and

(r) whether the system will monitor every postal facility.

These questions generally concern the processes by which the Postal Service may be using one management system to monitor how well post offices meet their cut off times for delivering mail to post office boxes. Even if Mr. Carlson can establish that the Postal Service does not monitor to his satisfaction how well post offices meet stated cut off times, that would not contribute significantly to the determination of appropriate fees for post office box service, or any other classification, rate, or fee at issue in this proceeding.

While the exact time of delivery to post office boxes may be a matter of concern to Mr. Carlson, as well as other post office box customers, the process by which such delivery times are managed and monitored is beyond the scope of an omnibus rate proceeding, much as would be an examination of individual delivery routes or schedules, or the overall management of carrier delivery operations.¹ Mr. Carlson's questions, moreover, are only tangentially related to when box mail is delivered. Instead, they concern monitoring whether the delivery time for First-Class box mail matches customer expectations established by the posted cut off time. These monitoring issues and procedures for managing postal operations are not, in

¹ The time that post office box mail is delivered has some relationship to the value of post office box service. However, the Postal Service is proposing fees for post office box service that would produce a cost coverage for post office box and caller service of only 114.7 percent, slightly below the 115.4 percent cost coverage recommended in Docket No. R94-1. Thus, the fees proposed by the Postal Service for post office box and caller service reflect a low cost coverage. Given the low existing and proposed cost coverage for post office box and caller service, any showing by Mr. Carlson that the value of service for post office box service is low should have no material impact on the fees recommended by the Commission.

themselves, proper matters for consideration during rate proceedings, especially at the level of detail indicated by Mr. Carlson's questions. See, e.g., part (I). Detailed inquiries into customer service are not proper issues during rate proceedings, and are beyond the scope of what is considered in determining, within a limited time period, rates, fees, and classifications for postal services.

The Postal Service maintains its belief, shared by the Presiding Officer, that discovery, rather than direct contact with Postal Service officials other than rate case counsel, is the proper means for intervenors to obtain information about general mail delivery procedures, when such procedures are implicated by a rate proceeding. Presiding Officer's Ruling No. R97-1/70, at 4. However, discovery is limited to questions concerning relevant, material information, as well as to certain time periods.²

With respect to timeliness, this interrogatory was not mailed by Mr. Carlson until 18 days after the response to interrogatory DFC/USPS-9 was filed. Even assuming a week before that response was received by Mr. Carlson, interrogatory DFC/USPS-19 would be beyond the seven-day deadline in Special Rule 2D for filing follow-up interrogatories.

Moreover, answering the interrogatory and its eighteen parts would be burdensome. The system with which the interrogatory is concerned is already used in

² See footnote 3 of Response of United States Postal Service to Douglas F. Carlson Comments on Opposition of United States Postal Service to Douglas F. Carlson Motion to Admit DFC/USPS-T40-XE-1-9 and LR-DFC-1 into Evidence. This footnote recognized that discovery concerning specific situations "might be more fruitful, assuming such situations are relevant and material to issues in the proceeding." (emphasis added). Any recommendations concerning how Mr. Carlson might make his discovery more effective in the future were not intended to waive objections to untimely discovery requests, given that the period for discovery on the Postal Service's direct case has already ended in Docket No. R97-1.

more than 8,000 facilities, so responding to part (d) alone would take hundreds of hours. Moreover, the interrogatory, in part (d), requests extensive information about and new analyses regarding specific facilities when much of it is commercially sensitive and expressly commended to the sole discretion of the Postal Service. See 39 U.S.C. § 404(a).

Interrogatory DFC/USPS-20 requests "all documents, directives, and guidelines that Area offices have issued since the inception of EXFC that dictate, govern, or otherwise influence the determination of collection times that are posted on collection boxes." Interrogatory DFC/USPS-21 seeks "all documents, directives, and guidelines that Area offices have issued since the inception of EXFC that dictate, govern, or otherwise influence the response of a post office when a monitoring system reveals, on a given day, that the final collection of a collection box has not been made by the end of the responsible carrier or collector's route," and asks that the Postal Service indicate "whether the post office's response to the knowledge that a box was not collected will depend on whether the box is located in a city that is monitored by EXFC." A major basis for the Postal Service's objection to each of these interrogatories is that the burden involved in responding to them far exceeds the likely contribution that any response would make to the record of this proceeding.

The Postal Service's External First Class (EXFC) System predates the field organization that includes the Area offices. Thus, the Postal Service interprets Mr. Carlson's interrogatories DFC/USPS-20-21 to be directed towards relevant documents that may have been issued by these Area offices since their inception, i.e., since 1992.

Each of these broad requests could yield dozens of documents from each Area office, and would require that a painstaking search through five years' worth of files to ensure that a complete search would be made. This burden is multiplied tenfold, as Mr. Carlson's requests would necessitate such a search at each of the Postal Service's ten Area offices.

The Postal Service estimates that providing a response to these interrogatories would require a minimum of three hours of search time per Area office files, plus time to review the documents in order to ascertain they do not contain commercially sensitive or other objectionable material, and to determine whether they are actually responsive to Mr. Carlson's discovery request.³ At the very least, the Postal Service estimates that the search process involved in complying with these two discovery requests would be likely to consume between four and five hours per Area office, for a total of forty to fifty hours of search and review time and effort.⁴

This burden must be weighed against the relevance of the requested material to the current proceeding. While the presence or absence of EXFC in a geographic area influences collections and collection times may weigh to some extent on the value of service of First Class Mail, it is the position of the Postal Service that this attenuated link

³ For example, DFC/USPS-20 "seeks only information that relates to steps that Area offices have taken partially or entirely for the purpose of reducing the likelihood that a collection box will be collected prior to the posted collection time." Responding to this request would require a substantive review of each document located, to determine whether it fits within this definition.

⁴ Some preliminary investigation of this question has indicated that the determination of the posting of collection times is a decision made at the District level, not the Area level. At this point, it is not known whether and to what extent this is indeed the case. If it is the case, the burden described in this objection would increase substantially.

does not justify the substantial effort that would be required to provide the information that Mr. Carlson seeks.

The Postal Service also believes that these interrogatories, along with DFC/USPS-22, are not appropriate under Special Rule 2E, because it appears that the responses could not be used to develop evidentiary testimony in this proceeding that rebuts the testimony of participants other than the Postal Service.⁵ Moreover, the questions do not request "data" or "operating procedures". Instead, the questions posed in DFC/USPS-19 ask for how the Postal Service monitors its operations, and, in certain cases, ask for whether certain actions would be "reasonable" (parts k-l). DFC/USPS-20-22 ask for the impact of EXFC on collection times, and how the Postal Service responds to information regarding the non-collection of particular mail. It is difficult to conceive how Mr. Carlson intends to use this information to rebut the testimony of intervenors yet to be filed, or how he proposes to utilize the results of the burdensome surveys that he would have the Postal Service conduct on his behalf in his own direct evidentiary presentation. Requiring the Postal Service to perform these surveys and produce the information requested would contribute little to the record that would have any bearing on the issues properly before the Commission, particularly at this stage of the proceedings.

⁵ See Presiding Officer's Ruling No. MC96-3/36 at 2 (Special Rule 2E "is limited to when a participant needs data available only from the Postal Service in order to prepare testimony to rebut participants other than the Postal Service."). The Postal Service therefore also objects to interrogatory DFC/USPS-23 because it is not permitted under Special Rule 2E, in addition to the grounds stated in the objection to interrogatory DFC/USPS-23 filed separately today.

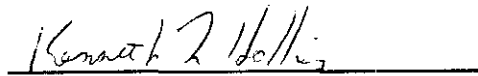
WHEREFORE, the United States Postal Service objects to interrogatories
DFC/USPS-19-22.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

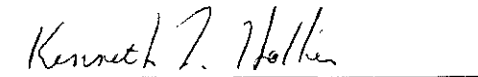
Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Kenneth N. Hollies

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.



Kenneth N. Hollies

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