

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

SIX-DAY TO FIVE-DAY STREET DELIVERY
AND RELATED SERVICE CHANGES, 2010

Docket No. N2010-1

OBJECTION OF THE UNITED STATES POSTAL SERVICE TO
MPA AND DMA INTERROGATORIES MPA/USPS-T2-3, 7, 8, AND 13 TO WITNESS
CORBETT
(June 21, 2010)

The United States Postal Service hereby objects to the following interrogatories of MPA and DMA, filed on June 9, 2010: MPA/USPS-T2-3, 7, 8, and 13.

Initially, it bears noting that many of the questions in this set of interrogatories from MPA and DMA seek detailed information with no material relationship to the issues in this proceeding. The questions “jump” from one sentence or phrase in a passage of testimony merely intended to provide context, to a full-blown request for what amounts to material that would be extraneous to consideration of the Postal Service’s instant request for an advisory opinion. For example, parts of question 3 (parts a.-d.) seek to elicit detailed information on Total Factor Productivity. Part d. of question 7 seeks all studies regarding the optimal size of the mail processing network, and cost savings that might be achieved if optimization occurred. Parts d. and e. of question 8 seek operational information going back 20 years. There is no apparent nexus between these information requests and the issues which the Commission needs to address in considering the service changes upon which an advisory opinion is sought. Even if the Postal Service were to provide some information in response to these questions, it would not waive its objection that the information requested is irrelevant.

More specifically, part g. of question 3 reads:

MPA/USPS-T2-3

(g) Please provide all USPS studies (including those performed on behalf of the USPS by outside consultants or contractors) regarding the comparability of USPS and private sector compensation for the USPS workforce as a whole, or any subset of the workforce (other than individually-identified employees). This subpart encompasses all studies performed within the past five years, except that you need not produce studies prepared for labor negotiations that are still pending.

All wage and benefit private sector comparison studies performed by or on behalf of the Postal Service are done in preparation for and as follow-up to collective bargaining negotiations. They are confidential, proprietary studies used strictly for preparing negotiations strategy and objectives. As such, all of those studies are subject to a negotiations privilege which is widely acknowledged in both federal court and National Labor Relations Board precedent. In collective bargaining, past is prologue and the privilege extends to past and current studies. Moreover, there is no apparent nexus between the service changes upon which the Postal Service has requested an advisory opinion in this proceeding, and studies which narrowly focus on compensation comparability. The Postal Service thus objects to MPA/USPS-T2-3.g on the grounds of privilege and relevance.

Part e. of question 7 reads:

MPA/USPS-T2-7.

(e) Please provide a list of all USPS facilities that the Postal Service owns; identify the book value and market value of each facility; and indicate the primary purpose of each facility (e.g., mail processing facility; retail; administrative).

Not only is there no apparent nexus between this question and the instant proceeding, but it would be burdensome for the Postal Service to have to generate

information about thousands of facilities. For example, if different information resided in different locations, making sure that information pulled from the two sources was properly matched (so that information purporting to be provided for each facility all actually pertained to that facility) could amount to a substantial effort. In addition, if the Postal Service has information on the market value of each facility, that information would be commercially sensitive and not suitable for public disclosure. The Postal Service objects to question 7.e on the grounds of relevance, burden, and privilege.

Question 13, in its entirety, reads as follows:

MPA/USPS-T2-13. Since the end of FY 2006, has the Postal Service discussed with any management associations or labor unions that represent postal employees the possibility of a pay freeze for any postal employees? If so, please identify (1) the timeframe of these discussions; (2) the management associations and labor unions with which USPS held these discussions; and (3) the positions and responses of each management association and labor union with which discussions were held.

The Postal Service objects to this question on the grounds of privilege and relevance.

This question asks the Postal Service to disclose the substance of proposals and discussions that were part of the collective bargaining process. When finalized, the collective bargaining contracts are public documents. The negotiations that precede those agreements, however, are not public. All discussions between the Postal Service and the organizations representing its employees, concerning mandatory and permissive topics of bargaining prior to finalization of the collective bargaining agreements or during the term of the contracts, are confidential, "off the record" discussions by agreement of the parties. These negotiations are akin to a settlement process, and the contents of settlement discussions are well-recognized as privileged.

Therefore, the Postal Service objects to a question which requests disclosure of information regarding proposals that may or may not have been made during the collective bargaining process, rather than the substance of the collective bargaining agreements that ultimately emerged. Moreover, the Postal Service sees no relevance to the question of whether or not the Postal Service has discussed pay freezes with representatives of employees, in the context of the instant proceeding regarding a request for an advisory opinion on service changes. On the ground of both relevance and privilege, the Postal Service objects to MPA/USPS-T2-13.

UNITED STATES POSTAL SERVICE

By its attorney:

Eric P. Koetting

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

Eric P. Koetting

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