

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

Postal Regulatory Commission
Submitted 1/17/2012 1:38:00 AM
Filing ID: 79695
Accepted 1/17/2012

MAIL PROCESSING NETWORK RATIONALIZATION
SERVICE CHANGES, 2012

DOCKET No. N2012-1

**DISCOVERY REQUESTS OF THE NATIONAL ASSOCIATION
OF LETTER CARRIERS, AFL-CIO TO USPS WITNESS GREG WHITEMAN
(NALC/USPS-T12: 1-14)
(January 17, 2012)**

Pursuant to Rules 26 and 27 of the Postal Regulatory Commission's Rules of Practice, the National Association of Letter Carriers, AFL-CIO ("NALC") propounds the following requests upon USPS witness Greg Whiteman (USPS-T12).

Respectfully submitted,

Peter D. DeChiara

Peter D. DeChiara
Cohen, Weiss and Simon LLP
330 West 42nd Street
New York, NY 10036

Attorneys for the National Association
of Letter Carriers, AFL-CIO

Instructions and Definitions:

1. Each of the following discovery requests is continuing in nature. NALC requests that if you obtain any additional responsive information at any later date, you promptly submit supplemental or amended answers and documents.
2. If privilege is claimed with respect to any requested data, information, or documents requested, please describe the privilege and the data, information or documents to which you contend it applies.
3. If in response to any discovery request you are unable to provide any of the requested documents or information, please state, with particularity, the reasons why the requested information cannot be provided.
4. If an objection is made to only a part of a discovery request, please answer the remainder of the discovery request.
5. The term “USPS” includes all agents, employees, officers, directors, attorneys and representatives of USPS, and anyone acting on its behalf, as well as the Board of Governors and the USPS Office of Inspector General.
6. The terms “document” or “documents” include but are not limited to the original or a copy of any letter, email, note, spreadsheet, memorandum, directive, report, study, meeting minutes, contract, diary entry or schedule, presentation, print out, speech, testimony, pamphlet, chart, tabulation, workpaper, draft, recording, and other writing or retrievable data of whatever kind or nature to which USPS has access, regardless of origin or location, and whether in hardcopy or electronic form, handwritten or typed.
7. If an objection is made to a request on the ground that to provide the requested discovery would constitute an undue burden, provide all requested information that can be supplied without undertaking what is claimed an undue burden.

Request:

NALC/USPS-T12-1:

Did USPS, in calculating how much the proposed service changes would decrease volume, revenue and contribution, study the extent to which postal customers may shift from using first-class mail to using standard mail? If so, provide any estimates USPS has of how much such a substitution of standard mail for first-class mail might impact volume, revenue and contribution and detail how USPS arrived at or calculated such an estimate.

NALC/USPS-T12-2:

You state on page 8, lines 15-16 of your testimony that “estimated change may take effect over a much longer period of time.” Does USPS have an estimate of how long it would be for the anticipated declines in mail volume resulting from the proposed change in service standards to fully “take effect”? If so, explain how USPS arrived at such an estimate.

NALC/USPS-T12-3:

You state on page 12, lines 23-25 of your testimony that “[n]early all respondents stated they also would like to see accompanying improvements in customer service to offset their loss in delivery service.” Does USPS have plans to implement improvements in customer service to offset the proposed reduction in delivery service? If so, please specify what these customer service changes are and how they will offset the proposed reduction in delivery service.

NALC/USPS-T12-4:

On page 8, lines 5-16 of your testimony, you provide three reasons why you believe respondents “tend to overstate their reactions.” Please identify the source, if any, for these asserted reasons. If the source is a document, please provide a copy. If it is a published text, please provide the citation. If it is a person or persons, please identify the person(s) by name, address and employer or affiliation.

NALC/USPS-T12-5:

Are you aware of any factors, including but not limited to the social desirability bias, that might bias respondents in a quantitative market research study to understate their reactions to a proposed change? If so, explain what these might be and how they may have affected respondents’ reactions in USPS’s quantitative market research regarding the proposed service standard changes here.

NALC/USPS-T12-6:

On page 8, lines 2-4 of your testimony, you state that respondents “tend to overstate their reactions” when asked about “proposed changes such as new product introductions or changes in channel option or service features.”

- (a) Explain what you mean by “channel option or service features” and provide an example of the type of “service features” to which you refer.
- (b) Provide an example, if you can, of respondents in a quantitative market study overstating their reaction to a reduction in the quality of service.

NALC/USPS-T12-7:

Do you have a view regarding the extent to which postal customers are currently aware of the proposed service changes? If so, state what your view is and the basis for your view.

NALC/USPS-T12-8:

On page 18, line 19 of your testimony, you state or suggest that change by customers may be “delayed.” In USPS’s quantitative market research in this case, did it make any effort to assess what customers’ responses to the proposed changes in service standards may be (*i.e.*, how respondents’ mail volume might change) *beyond* the year of the implementation of the service changes? If so, explain what effort was made to make this assessment and what the results of the assessment were.

NALC/USPS-T12-9:

Did USPS conduct, or request anyone else to conduct, any econometric studies in connection with USPS’s effort to assess how much the proposed service standard changes would reduce demand for USPS’s services or would reduce mail volume, revenue or contribution? If not, why not? If yes, please provide copies of such studies.

NALC/USPS-T12-10:

Figure 41 on page 49 of the testimony of Rebecca Elmore-Yalch (USPS T11) shows that a “probability of change” scale was used in calculating the estimated change in mail volume that would result from the proposed service standard changes. Please state by how much USPS’s estimate of decreased revenue of \$1.3 billion and decreased contribution of \$499 million would be different if the “probability of change” scale had not been used and explain how you calculated this difference.

NALC/USPS-T12-11:

Figure 41 on page 49 of the testimony of Rebecca Elmore-Yalch (USPS T11) shows that a “% of Increase/Decrease in Volume Solely Attributable to Change to FCM Standards” factor was used in calculating the estimated change in mail volume that would result from the proposed service standard changes. Please state by how much USPS’s estimate of decreased revenue of \$1.3 billion and decreased contribution of \$499 million would be different if that factor had not been used and explain how you calculated this difference.

NALC/USPS-T12-12:

Please state by how much USPS’s estimate of decreased revenue of \$1.3 billion and decreased contribution of \$499 million would be different if neither the “probability of change” scale nor the “% of Increase/Decrease in Volume Solely Attributable to Change to FCM Standards” factor had been used, and explain how you calculated this difference.

NALC/USPS-T12-13:

In Chart 1, on page 22 of your testimony, you provide point estimates for volume, revenue, cost and net contribution changes were the proposed first-class mail service standard changes implemented.

- (a) Provide the confidence interval at the 95 percent level for each of these point estimates.
- (b) Provide what the confidence interval at the 95 percent level for each of these point estimates would be had respondents’ responses not been adjusted by the “probability of change” scale.
- (c) For the confidence intervals provided in response to (a) and (b) above, please provide a detailed explanation and illustrative calculations to show how the confidence intervals were derived.

NALC/USPS-T12-14:

In its quantitative market research, did USPS seek to make any estimate of how much volume, revenue and contribution it would lose if USPS implemented both (1) the end of Saturday delivery and (2) the change in service standards proposed in this case? If so, please provide these estimates and explain how they were calculated.