Postal Regulatory Commission
Submitted 2/5/2014 3:52:58 PM
Filing ID: 89116
Accepted 2/5/2014

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

DSCF Standard Mail Load Leveling Docket No. N2014-1

PUBLIC REPRESENTATIVE MOTION TO COMPEL RESPONSE TO PR/USPS-T1-25

(February 5, 2014)

On January 24, 2014, the Public Representative propounded interrogatory PR/USPS-T1-25 on Witness Malone.[1] On January 31, 2014, the Postal Service objected to PR/USPS-T1-25.[2] PR/USPS-T1-25 seeks information concerning the interactions between the Load Leveling Plan and the Network Rationalization Initiative. Pursuant to 39 C.F.R. § 3001.26(d), the Public Representative requests that the Commission compel the Postal Service to respond to interrogatory PR/USPS-T1-25.

I. *Background*

Interrogatory PR/USPS-T1-25 requested the following:

The Postal Service recently announced plans to delay Phase 2 of its Network Rationalization Initiative.

a. Please confirm that the Postal Service plans to delay Phase 2 of its Network Rationalization Initiative. If not confirmed, please explain.

b. Please discuss and explain in detail the interaction between the Load Leveling Plan and Mail Processing Network Rationalization (MPNR).

   i. Please provide the savings realized as a result of Phase 1 of MPNR.

[1] Public Representative Third Interrogatories and Requests for Production of Documents to United States Postal Service Witness Malone, January 24, 2014.

[2] United States Postal Service Objection to Public Representative Interrogatory (PR/USPS-T1-25), January 31, 2014 (Postal Service Objection).

ii. Please provide an estimate of how implementation of the Load Leveling Plan will impact savings realized from Phase 1 of MPNR.

iii. Please provide the estimated savings expected to be realized through implementation of Phase 2 of MPNR.

iv. Please provide an estimate of how implementation of the Load Leveling Plan will impact savings expected to be realized from Phase 2 of MPNR.

c. Did Phase 1 of MPNR impact the volume of mail delivered on Mondays? Please identify, describe, and provide all documents detailing the impact of Phase 1 of MPNR on the percentage of volume delivered on Mondays.

d. Is Phase 2 of MPNR expected to impact the volume of mail delivered on Mondays to meet service standards? Please identify, describe, and provide all documents detailing the impact of Phase 2 of MPNR on the percentage of volume delivered on Mondays.

e. Did Phase 1 of MPNR impact the percentage of carriers on the street after 1700? Please identify, describe, and provide all documents detailing the impact of Phase 1 of MPNR on carriers working after 1700.

f. Will Phase 2 of MPNR impact the percentage of carriers on the street after 1700? Please identify, describe, and provide all documents detailing the impact of Phase 2 of MPNR on carriers working after 1700.

The Postal Service objected to this interrogatory and claimed that it is "beyond the scope of the current docket." Postal Service Objection at 2. The Postal Service also claimed that "the entirety of PR/USPS-T1-25 requests detailed information regarding Network Rationalization, which was covered extensively in PRC Docket No. N2012-1" and "[s]uch inquiries are wholly irrelevant to the Postal Service's request for an advisory opinion on its Load Leveling Plan." *Id.*

II. *PR/USPS-T1-25 is Plainly Relevant.*

Commission rules "allow discovery reasonably calculated to lead to admissible evidence during a noticed proceeding." 39 C.F.R. § 3001.25(a). Admissible evidence is "relevant and material evidence which is not unduly repetitive or cumulative." 39 C.F.R. § 3001.31(a). The information requested in PR/USPS-T1-25 is reasonably calculated to lead to relevant and material evidence which is not unduly repetitive.

The Postal Service claims that PR/USPS-T1-25 is “wholly irrelevant” and “beyond the scope of the current docket.” Postal Service Objection at 2. With this view, the Postal Service is advocating that the Public Representative, parties, and the Commission look at the Load Leveling Plan in a bubble, rather than in the context of on-going service changes and cost saving initiatives. In order for the Commission to fairly evaluate whether the Load Leveling Plan conforms to the policies of title 39, the Commission must be able to assess: (1) whether the benefits the Postal Service expects to realize from the Load Leveling Plan will be impacted (either positively or negatively) by other changes occurring on the network; (2) whether the data provided by the Postal Service is representative of benefits to be expected from the Load Leveling Plan or whether some of the data provided was skewed by other changes occurring on the network; (3) whether a future implementation of Phase 2 of the Network Rationalization Initiative will negatively impact benefits expected from the Load Leveling Plan; and (4) how implementation of the Load Leveling Plan will impact the benefits already realized in Phase 1 and those expected to be realized in Phase 2 of the Network Rationalization Initiative. A response to PR/USPS-T1-25 would provide the Commission with the information necessary to assess the impact of the Load Leveling Plan more comprehensively and in consideration of the Postal Service’s planned service changes as a whole.

The relationship between the Network Rationalization Initiative and the Load Leveling Plan is even more relevant to this proceeding than the relationship between 5-Day Delivery and the Load Leveling Plan. The Network Rationalization Initiative is more relevant because unlike 5-Day Delivery, its implementation is on-going and does not require congressional approval to move forward. Despite the lesser impact of 5-Day Delivery, the Postal Service recognized the importance of analyzing the joint impacts of the Load Leveling Plan and 5-Day Delivery and actively considered the relationship between the two service changes in developing the Load Leveling Plan. In fact, it is clear from the information provided in Library Reference 6 that the joint impacts of the Load Leveling Plan and 5-Day Delivery were considered, discussed, and analyzed

through MTAC Group 157.[3] The joint impacts of the Load Leveling Plan and Network Rationalization Initiative require a similar level of consideration and analysis.

PR/USPS-T1-25 is relevant to this proceeding because it inquires about the basis for the Postal Service's development of the Load Leveling Plan and its relationship with the Network Rationalization Initiative. Data provided by the Postal Service in this proceeding shows that the percentage of mail delivered on Mondays increased throughout FY 2013, concurrent with the implementation of Phase 1 of the Network Rationalization Initiative.[4] At the same time, postal facilities that faced an increased workload in FY 2013 due to the Network Rationalization Initiative had an increased percentage of Standard Mail with a Monday service standard (and had greater difficulty meeting that standard).[5] The Postal Service has not provided disaggregated data sufficient to analyze whether network consolidations have led to an increase in carriers delivering mail past 1700, but anecdotal evidence suggests that this may be the case. The number of carriers working past 1700 has increased since FY 2012.[6]

Based on the information already provided in this docket, it appears that the implementation of Phase 1 of the Network Rationalization Initiative has placed a strain on mail processing and delivery networks.[7] The Postal Service claims that the interaction between the Load Leveling Plan and Network Rationalization Initiative is irrelevant in assessing if the Load Leveling Plan satisfies the policies of title 39. However, understanding the interaction between these two major programs is vital to analyzing how the mail processing and delivery networks will evolve in future years and what unintended consequences or benefits may be realized from implementation of both the Load Leveling Plan and the Network Rationalization Initiative.

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[3] *See, e.g.,* Library Reference USPS-LR-N2014-1/6, file "6-12-13" at 3-6; file "8-7-13" at 8, 11, 13, 15; file "Flats Update 8.13-Final" at 16, 29; file "1-10-14" at 25.

[4] *See* Library Reference USPS-LR-N2014-1/NP3.

[5] *See id.*

[6] Direct Testimony of Linda M. Malone on Behalf of the United States Postal Service (USPS-T-1), December 27, 2013, at 17, Table 7.

[7] *See* Library Reference USPS-LR-N2014-1/NP7.

III. *PR/USPS-T1-25 Does Not Request Information Provided in Docket No. N2012-1.*

The Postal Service claims that "the entirety of PR/USPS-T1-25 requests detailed information regarding Network Rationalization, which was covered extensively in Docket No. N2012-1." Postal Service Objection at 2. That is not the case. PR/USPS-T1-25 requests information based on the actual implementation of Phase 1 of the Network Rationalization Initiative and focuses on the impacts relating to key issues in this proceeding—volume of mail delivered on Mondays and carriers out after 1700. The information requested by PR/USPS-T1-25 should not be burdensome to produce, as the Postal Service has a rigorous AMP and Post-AMP process.[8] In addition, the delay of Phase 2 implementation was not analyzed in Docket No. N2012-1 nor were the dual impacts of Phase 2 of the Network Rationalization Initiative and the Load Leveling Plan considered.

For the foregoing reasons, the Public Representative respectfully requests that the Commission compel the Postal Service to provide a response to PR/USPS-T1-25. Furthermore, in light of the expedited schedule set forth in Order No. 1932, the Public Representative requests that the Presiding Officer expedite ruling on this motion to allow for analysis of the response to PR/USPS-T1-25 in the Public Representative's brief due on February 20, 2014.

Respectfully Submitted,

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[8] Docket No. N2012-1, Advisory Opinion on Mail Processing Network Rationalization Service Changes, September 28, 2012, Appendix G.