

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

PERIODIC REPORTING)
(UPS PROPOSALS ONE, TWO AND THREE)) Docket No. RM2016-2

**RESPONSE OF AMAZON FULFILLMENT SERVICES, INC.,
TO MOTION OF UNITED PARCEL SERVICE, INC.
FOR EXTENSION OF TIME TO RESPOND TO
CHAIRMAN'S INFORMATION REQUEST NO. 4**

(December 21, 2015)

Amazon Fulfillment Services, Inc. ("AFSI") respectfully responds to the December 18 motion of United Parcel Service, Inc. for an eight-day extension of the December 31 deadline for UPS to respond to Chairman's Information Request No. 4. AFSI does not oppose the requested extension if the January 20 deadline for comments by other parties is extended by the same amount. Without a reciprocal extension of the January 20 deadline, however, an extension of the UPS deadline until January 8 would be prejudicial to AFSI, and AFSI opposes that relief.¹

Extending the due date for UPS's responses to CHIR 4 until January 8, while leaving the January 20 deadline for other comments unchanged, would allow

¹ UPS's suggestion that AFSI unconditionally "opposes the request" regardless of whether the January 20 deadline is also extended (UPS Motion at 2 n. 1) misstates AFSI's position. As communicated to UPS counsel, AFSI's position on the extension depends on whether "the January deadline for other parties' comments is extended by the same amount." Email from David M. Levy to Steig Olson (December 18, 2015 at 11:13 am).

other parties only 12 days to respond to any new or supplemental material in UPS's responses. We expect that the prejudice to AFSI would be material. The questions in CHIR 4 go to the heart of UPS proposal 1: whether inframarginal costs are properly attributed to individual mail classes and products, and whether UPS has accurately and reliably measured the inframarginal costs that it proposes to attribute. Moreover, UPS's responses to earlier CHIRs in this case indicate that UPS's response is likely to be lengthy, detailed and time-consuming to analyze and respond to. UPS's response to CHIR 1 ran to 42 pages, with extensive citations to documentary information and economic literature. Furthermore, UPS is not the only participant in this case with competing demands on its time. AFSI and its corporate parent, Amazon.com, also must deal with time-consuming end-of-year reporting obligations, a seasonal peak in transactions in December, and employee vacation schedules. In all likelihood, so do other parties with an interest in this case.²

By contrast, UPS has claimed no injury from extending the deadline for responding to CHIR 4 and the deadline for other parties' comments by the same amount. Nor is any such injury plausible. UPS has been preparing its case for the better part of a year.³ There is nothing wrong with that: the Commission's rules

² UPS's suggestion that AFSI lacks standing to be heard on the appropriate interval of time between UPS's responses to CHIR 4 and the filing deadline for other parties' comments because "these requests did not originate with Amazon" (UPS Motion at 2 n. 1) is without merit. UPS's positions on the issues raised in CHIR 4, if credited by the Commission, could produce higher rates for AFSI (as well as other parcel shippers). Nothing in the Commission's rules denies parties the rights to be heard on due process or other issues originating in information requests initiated by other participants.

³ See UPS comments in ACR2014 (Feb. 2, 2015) at 3 ("UPS intends to file a petition to initiate a proceeding for a thorough evaluation of the Postal Service's

entitle a party to file a petition for rulemaking at a time of the party's own choosing. But the gestation period of the litigation does not suggest that UPS will be unfairly prejudiced if other parties receive eight more days to prepare their own comments. To the contrary, an extension of the January 20 deadline equal in length to UPS's requested extension of its December 31 deadline will leave AFSI and other parties a period for preparing comments that is still only a small fraction of the period available to UPS for preparing its own petition for rulemaking and supporting documentation.

For the above reasons, the fairest and most sensible response to the UPS extension request is to grant the request *and* extend the January 20 filing deadline by the same amount. By contrast, granting one extension without the other would risk serious prejudice to other parties.

Respectfully submitted,

/s/

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costing methodologies and the analytical principles employed by the Commission pursuant to its obligations under § 3633.”).