

UNITED STATES OF AMERICA
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

Evolutionary Network Development
Service Changes

Docket No. N2006-1

PRESIDING OFFICER'S RULING
ON PROTECTIVE CONDITIONS
FOR CERTAIN MATERIALS PROVIDED
IN RESPONSE TO RULING NO. N2006-1/7
AND TO PRESIDING OFFICER'S
INFORMATION REQUEST NO. 2

(Issued May 24, 2006)

In Presiding Officer's Ruling No. N2006-1/7, I granted a motion lodged by APWU to compel a response to its interrogatory APWU/USPS-T2-1 subparts (g) and (h), subject to protective conditions attached to the ruling.¹ However, because the Postal Service had requested an opportunity to comment on appropriate protective conditions, I provided for the filing of such comments before compliance was required.²

Independently, in Presiding Officer's Information Request No. 2, I asked the Postal Service to provide information that had been redacted from one of its library references in this case, and allowed for the filing of responsive material under protective conditions.³ I did not specify applicable protective conditions at that time.

On May 9, APWU filed comments on the protective conditions published with Ruling No. 7.⁴ APWU represents that its officers and agents "typically receive

¹ Presiding Officer's Ruling No. N2006-1/7, May 5, 2006, at 7-8.

² *Id.* at 8.

³ Presiding Officer's Information Request No. 2, April 27, 2006, at 3, ¶ 5.a.

⁴ Comments of the American Postal Workers Union, AFL-CIO in Response to Presiding Officer's Ruling No. 7, May 9, 2006 (APWU Comments).

unredacted AMPs and the data supporting the AMPs beyond that contained in USPS-LR-N2006-1/5” in the ordinary course of business, as part of routine contract administration, without any agreement restricting their use.⁵ While maintaining its prior position that the AMPs and their underlying data are not commercially sensitive, APWU states that it has not revealed, and will not reveal, the redacted data or any other underlying information absent a ruling in favor of its view.

However, APWU notes that the protective conditions published with Ruling No. 7 do not contain an exception for the use of information obtained through the ordinary course of business with the Postal Service. According to APWU, the protective order in this case cannot restrict free use of the information for contract administration or in other settings outside Commission proceedings. On this basis, APWU proposes adoption of six provisions, which would relieve participants of all obligations under the protective conditions on six described grounds.⁶

On May 15, the Postal Service filed a reply to APWU’s comments.⁷ The Service generally opposes adoption of the supplemental provisions proposed by APWU on two grounds. First, it questions the need to supplement the published protective conditions for purposes of this proceeding. According to the Service, it has provided both redacted and unredacted copies of each AMP final decision in accordance with Article 12 of its collective bargaining agreement with APWU, with the understanding that the unredacted copies would be subject to conditions designed to prevent public disclosure of sensitive data. The Postal Service states that it is “more than willing to work directly with the APWU outside the context of this proceeding to ensure that both entities are able to pursue the resolution of issues related to AMP consolidation outside the sphere of § 3661” wherever such issues arise.⁸

⁵ *Id.* at 1-2.

⁶ *Id.* at 2-3.

⁷ Reply of the United States Postal Service to Comments of the American Postal Workers Union to Presiding Officer’s Ruling No. N2006-1/7, May 15, 2006.

⁸ *Id.* at 3.

Secondly, the Service opposes the terms of the supplemental provisions proposed by APWU, with one exception. The Service argues that the proposed provisions could operate to relieve participants of the duty of non-disclosure under broadly described and potentially inappropriate conditions.⁹ However, it does not object to one provision, which would relieve signatories of the duty where a final court order requires that information be disclosed under the Freedom of Information Act “because of an express determination that the information is not trade secret, or privileged or confidential or financial information[.]”¹⁰

I agree with the Postal Service that the supplemental provisions proposed by APWU are unnecessary in general, and potentially detrimental in effect. The pleadings reveal that the Postal Service has been providing AMP-related information to APWU officers and agents on a continuing basis. This process has apparently succeeded in protecting the confidentiality of sensitive unredacted materials; the Postal Service has undertaken to continue working with APWU on this footing; and APWU agrees to maintain the confidentiality of the unredacted materials in the future. Given this pre-existing course of dealings—conducted under independent legal authority—there is no evident need to take action in this proceeding to assure APWU continued access to these materials for purposes of labor-management relations.

Additionally, most of the proposed provisions would allow participants to disclose currently protected material under broad and vaguely described conditions, without restriction on its future use. As the Postal Service notes, they could operate to relieve participants of their duty of non-disclosure on the basis of the misdeeds of another party. These results would clearly be inappropriate.

The one meritorious exception is proposed condition number five, which provides an exception for material that the final order of a court finds not to be protected from disclosure under the Freedom of Information Act. Paragraph 14 of the protective

⁹ *Id.* at 3-5.

¹⁰ APWU Comments at 3.

conditions attached to Ruling No. 7 allows participants to seek a Commission ruling that protected material is not entitled to confidential status, on the basis of a showing that public disclosure of the material is consistent with the standards of the Freedom of Information Act and Commission precedent. A judicial finding that certain material is not exempt from disclosure under FOIA would have even greater persuasive force. For this reason, I shall direct that the protective conditions published with Ruling No. 7 be amended by adding the following language to paragraph 14:

Alternatively, a proponent may show that the final order of a court has directed that the materials be disclosed under the Freedom of Information Act because of an express determination that the information therein is not entitled to exemption from disclosure under 5 U.S.C. 552(b)(1)-(9).

I shall also direct that these amended protective conditions apply to USPS Library Reference N2006-1/10, which contains materials filed by the Postal Service in response to item 5.a. in Presiding Officer's Information Request No. 2.

RULING

The two sets of protective conditions attached to this ruling shall apply, respectively, to (1) materials filed by the Postal Service in response to interrogatory APWU/USPS-T2-1 subparts (g) and (h) (Attachment 1); and (2) USPS Library Reference N2006-1/10 (Attachment 2).

Dawn A. Tisdale
Presiding Officer

STATEMENT OF COMPLIANCE WITH PROTECTIVE CONDITIONS

The following protective conditions limit access to materials provided in Docket No. N2006-1 by the Postal Service in response to Presiding Officer's Ruling No. N2006-1/7 (hereinafter, "these materials"). Individuals seeking to obtain access to these materials must agree to comply with these conditions, complete the attached certifications, provide the completed certifications to the Commission, and serve them upon counsel for the party submitting the confidential material.

1. Only a person who is either:
 - (a) an employee of the Postal Rate Commission (including the Office of the Consumer Advocate) with a need-to-know; or
 - (b) a participant in Postal Rate Commission Docket No. N2006-1, or a person employed by such participant, or acting as agent, consultant, contractor, affiliated person, or other representative of such participant for purposes related to the litigation of Docket No. N2006-1, shall be granted access to these materials. However, no person involved in competitive decision-making for any entity that might gain competitive advantage from use of this information shall be granted access to these materials. "Involved in competitive decision-making" includes consulting on marketing or advertising strategies, pricing, product research and development, product design, or the competitive structuring and composition of bids, offers or proposals. It does not include rendering legal advice or performing other services that are not directly in furtherance of activities in competition with a person or entity having a proprietary interest in the protected material.
2. No person granted access to these materials is permitted to disseminate them in whole or in part to any person not authorized to obtain access under these conditions.
3. Unless otherwise changed pursuant to paragraph 4, the final date of any participant's access shall be the earlier of:
 - (a) the date on which the Postal Rate Commission issues its final advisory opinion or otherwise closes Docket No. N2006-1;

- (b) the date on which that participant formally withdraws from Docket No. N2006-1;
 - (c) the last date on which the person who obtains access is under contract or retained or otherwise affiliated with the Docket No. N2006-1 participant on whose behalf that person obtains access, whichever comes first. The participant immediately shall notify the Postal Rate Commission and counsel for the party who provided the protected material of the termination of any such business and consulting arrangement or retainer or affiliation that occurs before the closing of the evidentiary record.
- 4. Immediately after the Commission issues its final advisory opinion in Docket No. N2006-1, a participant (and any person working on behalf of that participant) who has obtained a copy of these materials shall:
 - (a) certify to the Commission that the copy was maintained in accordance with these conditions (or others established by the Commission); and
 - (b) either certify that the copy (and any duplicates) either have been destroyed or returned to the Commission, or present written consent from the Postal Service to extend the obligation to destroy or return copies until a date certain or until the occurrence of some other event specified by the Postal Service.
- 5. The duties of any persons obtaining access to these materials shall apply to material disclosed or duplicated in writing, orally, electronically, or otherwise, by any means, format, or medium. These duties shall apply to the disclosure of excerpts from or parts of the document, as well as to the entire document.
- 6. All persons who obtain access to these materials are required to protect the document by using the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized disclosure of the document as those persons, in the ordinary course of business, would be expected to use to protect their own proprietary material or trade secrets and other internal, confidential, commercially-sensitive, and privileged information.

7. These conditions shall apply to any revised, amended, or supplemental versions of materials provided in Docket No. N2006-1.
8. The duty of nondisclosure of anyone obtaining access to these materials is continuing, terminable only by specific order of the Commission, or as specified in paragraphs 10 through 15, below.
9. Any Docket No. N2006-1 participant or other person seeking access to these materials by requesting access, consents to these or such other conditions as the Commission may approve.
10. The Postal Service shall clearly mark the following legend on each page, or portion thereof, that the Service seeks to protect under this agreement: “Confidential—Subject To Protective Conditions In Docket No. N2006-1 Before the Postal Rate Commission” or other markings that are reasonably calculated to alert custodians of the material to its confidential or proprietary nature. Except with the prior written consent of the Postal Service, or as hereinafter provided, no protected information may be disclosed to any person.
11. Any written materials — including but not limited to discovery requests and responses, requests for admission and responses, deposition transcripts and exhibits, pleadings, motions, affidavits, written testimony and briefs — that quote, summarize, or contain materials protected under these protective conditions are also covered by the same protective conditions and certification requirements, and shall be filed with the Commission only under seal. Documents submitted to the Commission as confidential shall remain sealed while in the Secretary’s office or such other place as the Commission may designate so long as they retain their status as stamped confidential documents.
12. Any oral testimony, argument or other statements that quote, summarize or otherwise disclose materials protected under these protective conditions shall be received only in hearing sessions limited to Postal Service representatives and other persons who have complied with the terms of the protective order and have signed the attached certifications. The transcript pages containing such protected testimony shall be filed under seal and treated as protected materials under paragraph 11.

13. Notwithstanding the foregoing, protected material covered by paragraphs 11 or 12 may be disclosed to the following persons without their execution of a compliance certificate. Such disclosure shall not exceed the extent necessary to assist in prosecuting this proceeding or any appeals or reconsideration thereof.
 - (a) Members of the Commission.
 - (b) Court reporters, stenographers, or persons operating audio or video recording equipment for such court reporters or stenographers at hearings or depositions.
 - (c) Any other person designated by the Commission in the interest of justice, upon such terms as the Commission may deem proper.
 - (d) Reviewing courts and their staffs. Any person seeking to disclose protected information to a reviewing court shall make a good faith effort to obtain protective conditions at least as effective as those set forth in this document. Moreover, the protective conditions set forth herein shall remain in effect throughout any subsequent review unless overridden by the action of a reviewing court.

14. A participant may apply to the Commission for a ruling that documents, categories of documents, or deposition transcripts, stamped or designated as confidential, are not entitled to such status and protection. The Postal Service or other person that designated the document or testimony as confidential shall be given notice of the application and an opportunity to respond. To revoke confidential status, the proponent of declassification must show by a preponderance of the evidence that public disclosure of the materials is consistent with the standards of the Freedom of Information Act, 5 U.S.C. 552(b)(1)-(9), and Commission precedent. Alternatively, a proponent may show that the final order of a court has directed that the materials be disclosed under the Freedom of Information Act because of an express determination that the information therein is not entitled to exemption from disclosure under 5 U.S.C. 552(b)(1)-(9).

15. Subpoena by Courts or Other Agencies. If a court or other administrative agency subpoenas or orders production of confidential information which a participant has obtained under the terms of this protective order, the target of the subpoena or order shall promptly (within two business days) notify the Postal Service (or other person who designated the document as confidential) of the pendency of the subpoena or order to allow the designating party time to object to that production or seek a protective order.

CERTIFICATION

The undersigned represents that:

Access to materials provided in Docket No. N2006-1 by the Postal Service in response to Presiding Officer's Ruling No. N2006-1/7 (hereinafter, "these materials" or "the information") has been authorized by the Commission.

The cover or label of the copy obtained is marked with my name.

I agree to use the information only for purposes of analyzing matters at issue in Docket No. N2006-1.

I certify that I have read and understand the above protective conditions and am eligible to receive access to materials under paragraph 1 of the protective conditions. I further agree to comply with all protective conditions and will maintain in strict confidence these materials in accordance with all of the protective conditions set out above.

Name _____
Firm _____
Title _____
Representing _____
Signature _____
Date _____

CERTIFICATION UPON RETURN OF
PROTECTED MATERIALS

Pursuant to the Certification which I previously filed with the Commission regarding information provided in Docket No. N2006-1 by the Postal Service in response to Presiding Officer's Ruling No. N2006-1/7 (hereinafter, "these materials" or "the information"), received on behalf of myself and/or the party which I represent (as indicated below), I now affirm as follows:

1. I have remained eligible to receive access to materials under paragraph 1 of the protective conditions throughout the period those materials have been in my possession. Further, I have complied with all conditions, and have maintained these materials in strict confidence in accordance with all of the protective conditions set out above.
2. I have used the information only for purposes of analyzing matters at issue in Docket No. N2006-1.
3. I have returned the information to the Postal Rate Commission.
4. I have either surrendered to the Postal Rate Commission or destroyed all copies of the information that I obtained or that have been made from that information.

Name _____

Firm _____

Title _____

Representing _____

Signature _____

Date _____

STATEMENT OF COMPLIANCE WITH PROTECTIVE CONDITIONS

The following protective conditions limit access to materials provided in Docket No. N2006-1 by the Postal Service as Library Reference N2006-1/10 (hereinafter, "these materials"). Individuals seeking to obtain access to these materials must agree to comply with these conditions, complete the attached certifications, provide the completed certifications to the Commission, and serve them upon counsel for the party submitting the confidential material.

1. Only a person who is either:
 - (a) an employee of the Postal Rate Commission (including the Office of the Consumer Advocate) with a need-to-know; or
 - (b) a participant in Postal Rate Commission Docket No. N2006-1, or a person employed by such participant, or acting as agent, consultant, contractor, affiliated person, or other representative of such participant for purposes related to the litigation of Docket No. N2006-1, shall be granted access to these materials. However, no person involved in competitive decision-making for any entity that might gain competitive advantage from use of this information shall be granted access to these materials. "Involved in competitive decision-making" includes consulting on marketing or advertising strategies, pricing, product research and development, product design, or the competitive structuring and composition of bids, offers or proposals. It does not include rendering legal advice or performing other services that are not directly in furtherance of activities in competition with a person or entity having a proprietary interest in the protected material.
2. No person granted access to these materials is permitted to disseminate them in whole or in part to any person not authorized to obtain access under these conditions.
3. Unless otherwise changed pursuant to paragraph 4, the final date of any participant's access shall be the earlier of:
 - (a) the date on which the Postal Rate Commission issues its final advisory opinion or otherwise closes Docket No. N2006-1;

- (b) the date on which that participant formally withdraws from Docket No. N2006-1;
 - (c) the last date on which the person who obtains access is under contract or retained or otherwise affiliated with the Docket No. N2006-1 participant on whose behalf that person obtains access, whichever comes first. The participant immediately shall notify the Postal Rate Commission and counsel for the party who provided the protected material of the termination of any such business and consulting arrangement or retainer or affiliation that occurs before the closing of the evidentiary record.
- 4. Immediately after the Commission issues its final advisory opinion in Docket No. N2006-1, a participant (and any person working on behalf of that participant) who has obtained a copy of these materials shall:
 - (a) certify to the Commission that the copy was maintained in accordance with these conditions (or others established by the Commission); and
 - (b) either certify that the copy (and any duplicates) either have been destroyed or returned to the Commission, or present written consent from the Postal Service to extend the obligation to destroy or return copies until a date certain or until the occurrence of some other event specified by the Postal Service.
- 5. The duties of any persons obtaining access to these materials shall apply to material disclosed or duplicated in writing, orally, electronically, or otherwise, by any means, format, or medium. These duties shall apply to the disclosure of excerpts from or parts of the document, as well as to the entire document.
- 6. All persons who obtain access to these materials are required to protect the document by using the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized disclosure of the document as those persons, in the ordinary course of business, would be expected to use to protect their own proprietary material or trade secrets and other internal, confidential, commercially-sensitive, and privileged information.

7. These conditions shall apply to any revised, amended, or supplemental versions of materials provided in Docket No. N2006-1.
8. The duty of nondisclosure of anyone obtaining access to these materials is continuing, terminable only by specific order of the Commission, or as specified in paragraphs 10 through 15, below.
9. Any Docket No. N2006-1 participant or other person seeking access to these materials by requesting access, consents to these or such other conditions as the Commission may approve.
10. The Postal Service shall clearly mark the following legend on each page, or portion thereof, that the Service seeks to protect under this agreement: “Confidential—Subject To Protective Conditions In Docket No. N2006-1 Before the Postal Rate Commission” or other markings that are reasonably calculated to alert custodians of the material to its confidential or proprietary nature. Except with the prior written consent of the Postal Service, or as hereinafter provided, no protected information may be disclosed to any person.
11. Any written materials — including but not limited to discovery requests and responses, requests for admission and responses, deposition transcripts and exhibits, pleadings, motions, affidavits, written testimony and briefs — that quote, summarize, or contain materials protected under these protective conditions are also covered by the same protective conditions and certification requirements, and shall be filed with the Commission only under seal. Documents submitted to the Commission as confidential shall remain sealed while in the Secretary’s office or such other place as the Commission may designate so long as they retain their status as stamped confidential documents.
12. Any oral testimony, argument or other statements that quote, summarize or otherwise disclose materials protected under these protective conditions shall be received only in hearing sessions limited to Postal Service representatives and other persons who have complied with the terms of the protective order and have signed the attached certifications. The transcript pages containing such protected testimony shall be filed under seal and treated as protected materials under paragraph 11.

13. Notwithstanding the foregoing, protected material covered by paragraphs 11 or 12 may be disclosed to the following persons without their execution of a compliance certificate. Such disclosure shall not exceed the extent necessary to assist in prosecuting this proceeding or any appeals or reconsideration thereof.
 - (a) Members of the Commission.
 - (b) Court reporters, stenographers, or persons operating audio or video recording equipment for such court reporters or stenographers at hearings or depositions.
 - (c) Any other person designated by the Commission in the interest of justice, upon such terms as the Commission may deem proper.
 - (d) Reviewing courts and their staffs. Any person seeking to disclose protected information to a reviewing court shall make a good faith effort to obtain protective conditions at least as effective as those set forth in this document. Moreover, the protective conditions set forth herein shall remain in effect throughout any subsequent review unless overridden by the action of a reviewing court.

14. A participant may apply to the Commission for a ruling that documents, categories of documents, or deposition transcripts, stamped or designated as confidential, are not entitled to such status and protection. The Postal Service or other person that designated the document or testimony as confidential shall be given notice of the application and an opportunity to respond. To revoke confidential status, the proponent of declassification must show by a preponderance of the evidence that public disclosure of the materials is consistent with the standards of the Freedom of Information Act, 5 U.S.C. 552(b)(1)-(9), and Commission precedent. Alternatively, a proponent may show that the final order of a court has directed that the materials be disclosed under the Freedom of Information Act because of an express determination that the information therein is not entitled to exemption from disclosure under 5 U.S.C. 552(b)(1)-(9).

15. Subpoena by Courts or Other Agencies. If a court or other administrative agency subpoenas or orders production of confidential information which a participant has obtained under the terms of this protective order, the target of the subpoena or order shall promptly (within two business days) notify the Postal Service (or other person who designated the document as confidential) of the pendency of the subpoena or order to allow the designating party time to object to that production or seek a protective order.

CERTIFICATION

The undersigned represents that:

Access to materials provided in Docket No. N2006-1 by the Postal Service as Library Reference N2006-1/10 (hereinafter, "these materials" or "the information") has been authorized by the Commission.

The cover or label of the copy obtained is marked with my name.

I agree to use the information only for purposes of analyzing matters at issue in Docket No. N2006-1.

I certify that I have read and understand the above protective conditions and am eligible to receive access to materials under paragraph 1 of the protective conditions. I further agree to comply with all protective conditions and will maintain in strict confidence these materials in accordance with all of the protective conditions set out above.

Name _____

Firm _____

Title _____

Representing _____

Signature _____

Date _____

CERTIFICATION UPON RETURN OF
PROTECTED MATERIALS

Pursuant to the Certification which I previously filed with the Commission regarding information provided in Docket No. N2006-1 by the Postal Service as Library Reference N2006-1/10 (hereinafter, "these materials" or "the information"), received on behalf of myself and/or the party which I represent (as indicated below), I now affirm as follows:

1. I have remained eligible to receive access to materials under paragraph 1 of the protective conditions throughout the period those materials have been in my possession. Further, I have complied with all conditions, and have maintained these materials in strict confidence in accordance with all of the protective conditions set out above.
2. I have used the information only for purposes of analyzing matters at issue in Docket No. N2006-1.
3. I have returned the information to the Postal Rate Commission.
4. I have either surrendered to the Postal Rate Commission or destroyed all copies of the information that I obtained or that have been made from that information.

Name _____

Firm _____

Title _____

Representing _____

Signature _____

Date _____