

UNITED STATES OF AMERICA  
Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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Postal Rate and Fee Changes, 2000 )

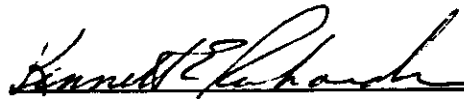
Docket No. R2000-1

OFFICE OF THE CONSUMER ADVOCATE  
INTERROGATORIES TO UNITED STATES POSTAL SERVICE  
WITNESS WILLIAM P. TAYMAN (OCA/USPS-T9-1-3 )  
February 8, 2000

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Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories OCA/USPS-1-14 dated January 24, 2000, are hereby incorporated by reference.

Respectfully submitted,



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Director

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OCA/USPS-T9-1. The following refers to USPS-LR-I-127, filename SPTDC\_00.xls.

- (a) Worksheet "HQ Pers Other Prog," cells F5 through F22 show "FY 99 Operating Budget Pd Years" values. Please update cells F9 through F22 with FY99 actuals.
- (b) Worksheet "HQ Pers Other Prog," cells D58 through D68 show the FY99 budget workhours by area. Please update the cells to reflect FY99 actuals.
- (c) For the worksheet titled "HQ Pers Other Prog," have the FY00 operating "Budget Pd Years" in cells J9 through J22 been updated? If so, please provide the updates for each cell. If not, please provide an update that reflects FY00 year-to-date actuals plus the remaining FY00 budgeted numbers.
- (d) Worksheet "Non Pers Cost Reductions" cells E12, F12 and G12 show incremental costs for prior year adjustments of international mail.
  - 1. Please explain what the \$90,300,000 reduction for FY99 represents. Is the \$90,300,000 an actual amount? If not, please provide the FY99 actual.
  - 2. Please explain what the \$38,200,000 increase for FY00 represents.
  - 3. Please explain what the \$20,000,000 increase for FY01 represents.
- (e) For the "Non Pers Cost Reduction" worksheet, FY00 at cells F14 and F15 contain amounts for absorbing additional inflation. Please provide the assumptions underlying the additional inflation amounts of \$35,000,000 a

\$9,000,000. Please explain why no additional inflation amounts were necessary for FY01.

OCA/USPS-T9-2. Please refer to USPS-LR-I-127, page 316, and filename "REPAL\_00.xls," the worksheet titled "Input."

- (a) For FY99, the "annual rate of change" for merit pay for EAS Non-Bargaining RSC E (see cell G127) and PCES Non-Bargaining RSC S (see cell G128) is \$726.24 each. In FY00, the merit pay is \$1,561.33. Please explain the basis for a change in merit pay of 115 percent ( $((\$1,561.33 - \$726.24) / \$726.24)$ ).
- (b) In FY01, the "annual rate of change" for merit pay for the EAS Non-Bargaining RSC E (see cell G136) and PCES Non-Bargaining RSC S (see cell G137) is \$1,658.55 each. Please explain the basis for a change in merit pay of 6 percent ( $((\$1,658.55 - \$1,561.33) / \$1,561.33)$ ).
- (c) For FY99, the City Carriers RSC Q "annual rate of change" in pay is \$82.72 (see cell D124). In FY00, the "annual rate of change" in pay is \$1,485.99 (see cell D133). In FY01, the "annual rate of change" in pay is \$1,478.47 (see cell D142). Please explain the basis for the large "annual rate of change" in pay from FY99 to FY00 (FY99-\$82.72 to FY00-\$1,485.99). Then, explain the basis for the "annual rate of change" in pay of \$1,478.47 for FY01.
- (d) For FY99, the City Carriers RSC Q "annual rate of change" in COLA is \$45.64 (see cell E124). In FY00, the "annual rate of change" in COLA is \$666.66 (see cell E133). In FY01, the "annual rate of change" in COLA is

\$541.00 (see cell E142). Please explain the basis for the large increase in the COLA for FY00 (FY99-\$45.64 to FY00-\$666.66). Then, explain the basis for a FY01 COLA of \$541.00.


OCA/USPS-T9-3. Please refer to USPS-LR-I-127, page 312, worksheet "Depcal00.xls." "[The] [c]ash flow projection model representing expenditure of funds for capital commitments and resources on order is based on the approved FY 1998-2003 Capital Investment Plan" (see cell A45).

- (a) For each asset type listed, provide the FY99 actuals for columns B, C, D, G, and K.
- (b) For each asset type, please provide the most recently approved Capital Investment Plan amounts (see column B) for FY00 and FY01.
- (c) In column K, undepreciated write-offs for mail processing are \$33,470,721 (see cell L17). Please specifically identify those items that were actually written off to arrive at FY99 depreciation.
- (d) In column K, undepreciated write-offs for mail processing are \$20,000,000 (see cell L22). Please identify those items the USPS anticipates writing off to arrive at the FY00 depreciation. If you are unable to specify the items being written off, please provide the basis for the \$20,000,000. If the \$20,000,000 is a calculated value, please provide its derivation and cite all source documents.
- (e) In column K, undepreciated write-offs for mail processing are \$8,501,470 (see cell L34); write-offs for customer service are \$189,107 (see cell L35); and, write-offs for postal support are \$3,574,251 (see cell L36). Please

identify those items that the USPS anticipates writing off to arrive at the FY01 depreciation. If you are unable to specify the items that will be written off, please provide the basis for the undepreciated write-off totaling \$12,264,828. Please provide the derivation of each amount and cite all source documents.

### CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

  
Stephanie S. Wallace

Washington, D.C. 20268-0001  
February 8, 2000