

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

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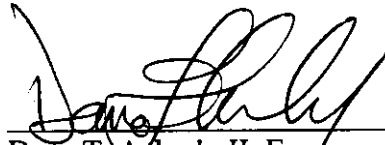
POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

**INTERROGATORIES OF
THE DIRECT MARKETING ASSOCIATION, INC.
TO USPS WITNESS TAYMAN**

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached interrogatories to USPS witness Tayman: DMA/USPS-T9, Nos. 22-34. If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,

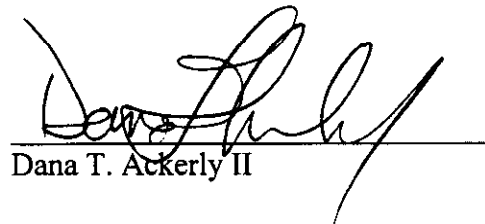


Dana T. Ackerly II, Esq.
COVINGTON & BURLING
1201 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2401
(202) 662-5296

Counsel for the Direct Marketing
Association, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Commission's Rules of Practice.


Dana T. Ackerly II

Dated: February 14, 2000

DMA/USPS-T9-22. Please refer to your spreadsheet Depcal00. Column O of that spreadsheet is labeled "Column N Retired Depreciation."

- a. Please provide the source for the entries in that column.
- b. Please explain what is meant by "Retired Depreciation."

DMA/USPS-T9-23. In response to DMA/USPS-T9-7, f in R97-1 which asked "What is the useful life of the equipment in a. through e. above", you said, "The depreciation periods used by the Postal Service are based on the estimated useful life of the equipment."

- a. Is your response from that case also valid for R 2000-1?
- b. Please confirm that this means that the Postal Service uses depreciation periods that are equal to the estimated useful life of the equipment. If you do not confirm, please explain the relationship between the depreciation period and the useful life of the equipment.

DMA/USPS-T9-24. Please refer to your spreadsheets Depcal00 and realtb98. The spreadsheet Depcal00 shows 1998 GFY depreciation of \$1,612,118,145 (cell B17). The spreadsheet realtb98 shows FY 98 depreciation of \$1,605,479,028 (worksheet seg 20, cell F33).

- a. Are the entries in realtb 98 for GFY?
- b. If so, please reconcile the amounts for 1998 depreciation on the two spreadsheets.

DMA/USPS-T9-25. Please provide the account number and the account code where Y2k expenses were booked in 1998.

DMA/USPS-T9-26. How large were Y2K expenses in 1998? How large were they in 1999? How large are they projected to be in 2000? In TYAR?

DMA/USPS-T9-27. Please confirm that account 54610 shows that the Postal Service realized a gain of \$14,541,188 on sales or trades of land and buildings in 1998. Please provide a spreadsheet showing the price received in each sale or trade of land and buildings and the book value at the time of trade or sale.

DMA/USPS-T9-28. Please provide any studies, information, or data the Postal Service has on market value of individual pieces of real estate.

DMA-USPS-T9-29. Please provide a spreadsheet showing the book valuation for all buildings that the Postal Service owns. For each building, please also indicate the address of the building, its square footage, and the year the Postal Service acquired it.

DMA/USPS-T9-30. Please confirm that the value of the real estate the Postal Service owns is carried at book value rather than at assessed fair market value. If not confirmed, please explain fully.

DMA/USPS-T9-31. Please provide both the USPS Total Factor Productivity Index for all fiscal years from 1971 to the present and the Labor Productivity Index.

DMA/USPS-T9-32. Please refer to page 14 of your testimony (USPS-T-9), which discusses cost reductions for FY1999, FY2000, and the Test Year. Exhibit E of LR-I-127 provides details of these cost reductions by program and by cost segment. For each program in cost segments 2 and 3, please provide its component within the segment.

DMA/USPS-T9-33. Please refer to page 15 of your testimony (USPS-T-9), which discusses changes in costs for other programs for FY1999, FY2000, and the Test Year. Exhibit E of LR-I-127 provides details of these changes in costs for other programs by program and by cost segment. For each program in cost segments 2 and 3, please provide its component within the segment.

DMA/USPS-T9-34. Please refer to LR-I-127, worksheet "Depcal00.xls", which references the FY 1998-2003 Capital Investment Plan. Please provide the FY1998-2003 Capital Investment Plan.