

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

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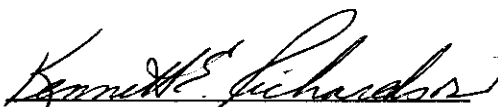
Postal Rate and Fee Changes, 2000)

Docket No. R2000-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS WILLIAM P. TAYMAN (OCA/USPS-T9-18-19)
February 15, 2000

Pursuant to sections 26 and 27 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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OCA/USPS-T9-18. In witness Porras' testimony in Docket No. R97-1, he stated, "...[T]he Postal Service's systems are upgraded to deal with year 2000 issues. This increases test year costs by \$298.00 million ..." (Tr. 34/18585). In Docket No. R97-1, exhibit USPS-RT-11E indicates that cost segment 16, component 174's costs for the FY98 Test Year increased by \$298 million for the Year 2000 Software Program (Tr. 34/18598).

- (a) The following refers to your response to DMA/USPS-T9-13, filed February 11, 2000. Is there a difference between the term "Y2K" or "year 2000 computer transition" and the Year 2000 Software Program? If so, please explain and provide the segment(s), component(s) and account numbers charged with the Y2K expenses for FY98, FY99 and FY00.
- (b) If not, please reconcile your response indicating FY98 expenses of \$88.6 million and FY99 expenses of \$267.0 million with witness Porras' rebuttal testimony, in Docket No. R97-1, stating that the FY98 expenses would increase by an additional \$298 million for Year 2000 software (Tr.35/18598).
- (c) For the FY98 Test Year in Docket No. R97-1, was the Year 2000 Software Program considered one of the "Headquarters Administered Programs or Corporate-wide Activities"?
- (d) For FY98 actuals, please indicate the account number(s), segment(s), component(s) and the amounts charged with the Year 2000 software program expenses.
- (e) What was the Postal Service's FY98 total budgeted amount for the Year 2000 software program?

- (f) For FY99 actuals, please indicate the account number(s), segment(s), component(s) and the amounts charged with the Year 2000 software program expenses.
- (g) What was the Postal Service's FY99 total budgeted amount for the Year 2000 software program?
- (h) What was the Postal Service's FY99 budgeted amount for the Year 2000 software program for segment 16, component 174?
- (i) Are Year 2000 software program expenses continuing to be incurred in FY00? If so, please provide: (1) the amount spent year-to-date for FY00, (2) the segments and components charged with the expenses, (3) when the Year 2000 software program expenses will cease to be incurred, and (4) explain why costs are continuing to be incurred for this program.
- (j) If program expenses are continuing to be incurred in FY00 for the Year 2000 software program, please provide the FY00 total amount budgeted for this program.

OCA/USPS-T9-19. The following interrogatory refers to USPS-LR-I-127, pages 218 through 227.

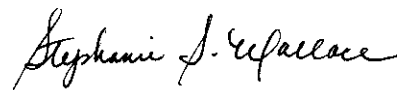
- (a) Please confirm that the following quote appears on page 218. "This Workbook calculates the amounts by component of changes in Headquarters Administered Programs and Corporate-wide Activities for any intermediate estimate years and for the Test Year."

- (b) Please confirm that on page 227, of the RF Summary, the FY99 budget for segment 16, component 174, ADP S&S is \$531,529,740. If you are unable to confirm, please explain.
- (c) Please provide the FY00 budgeted amount, for segment 16, component 174, ADP S&S, for the Year 2000 software program.
- (d) Please confirm that on page 227, of USPS-LR-I-127, segment 16, component 174, ADP S&S indicates that FY99 budgeted costs increase over FY98 actual costs by \$61,593,245. If you are unable to confirm, please explain.
- (e) Please confirm that on page 227, of USPS-LR-I-127, segment 16, component 174, ADP S&S indicates the FY00 budgeted costs are expected to decrease from the FY99 budgeted amount, by \$40,805,050. If you are unable to confirm, please explain.
- (f) Please explain what comprises the \$40,805,050 cost decrease in segment 16, component 174.
- (g) Please confirm that on page 227, of USPS-LR-I-127, the FY01 costs for ADP S&S for segment 16, component 174 are expected to increase by \$27,203,367.
- (h) Please explain what comprises the cost increase of \$27,203,367 in segment 16, component 174.
- (i) Please confirm that the net decline from FY98 expenses shown in the RF Summary on page 227, of USPS-LR-I-127, for ADP S&S in FY00 and FY01

for segment 16, component 174 is \$13,601,683 (-\$40,805,050 + \$27,203,367).

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 15, 2000