

BEFORE THE
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

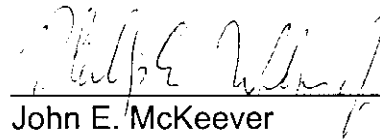
: POSTAL RATE AND FEE CHANGES, 2000 :

DOCKET NO. R2000-1

INTERROGATORIES AND REQUEST FOR PRODUCTION
OF DOCUMENTS FROM UNITED PARCEL SERVICE TO
UNITED STATES POSTAL SERVICE WITNESS ROBINSON
(UPS/USPS-T34-11 and 12)
(February 16, 2000)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves the following interrogatories and request for production of documents directed to United States Postal Service witness Robinson: UPS/USPS-T34-11 and 12.

Respectfully submitted,



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Of Counsel.

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TO UNITED STATES POSTAL SERVICE WITNESS ROBINSON

UPS/USPS-T34-11. (a) Does the Postal Service have a system or systems for measuring the actual service performance of Priority Mail, whether that performance is measured in terms of actual days to delivery, extent to which actual performance meets service standards, time-in-transit, time from collection to delivery, or any other measure? If so, identify all such systems, provide descriptions of them (including any manuals, guidelines, directives, or other documents which indicate how measurements are made and how the system operates), and provide all results for all such systems for each year (by quarter, if available) from FY 1990 through FY 1999, and up to the present.

(b) Please identify and describe the Postal Service system known as, or as identified by the acronym of, PETE.

UPS/USPS-T34-12. Refer to Attachment A, which is the Compensation attachment to Contract Postal Unit Contract No. 363199-99-U-0158, relating to a two-year contract beginning on November 7, 1998, to operate a Contract Postal Unit ("CPU") for the Postal Service. The Compensation attachment states that the CPU operator "will be paid 20% of the postal funds it receives and remits for the sale of domestic Priority Mail and domestic Express Mail," and "5% of the postal funds it receives and remits for the sale of all other postal products and services" that are subject to the contract.

(a) Are the full amounts paid by the Postal Service to the CPU operator under such contracts for the sale of Priority Mail attributed solely to Priority

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Mail? If so, indicate how and where this attribution is reflected in the Postal Service's presentation in this proceeding.

(b) Are the full amounts paid by the Postal Service to the CPU operator under such contracts for the sale of Express Mail attributed solely to Express Mail? If so, indicate how and where this attribution is reflected in the Postal Service's presentation in this proceeding.

(c) In what cost segment and component are the payments made by the Postal Service to CPU operators under such contracts recorded in the case of Priority Mail? Identify all accounts in which such payments on account of Priority Mail are recorded.

(d) In what cost segment and component are the payments made by the Postal Service to CPU operators under such contracts recorded in the case of Express Mail? Identify all accounts in which such payments on account of Express Mail are recorded.

(e) In what cost segment and component are the payments made by the Postal Service to the CPU operators under such contracts recorded in the case of other postal products? Identify all accounts in which such payments on account of other postal products are recorded.

(f) Provide separately for BY 1998 and FY 1999 the total amount of payments made by the Postal Service under such contracts for the sale of Priority Mail.

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(g) Provide separately for FY 2000 and for the Test Year the Postal Service's estimates of the total payments it will make under such contracts for the sale of Priority Mail.

(h) Provide separately for BY 1998 and FY 1999 the total amount of payments made by the Postal Service for such contracts for the sale of Express Mail.

(i) Provide separately for FY 2000 and for the Test Year the Postal Service's estimates of the total payments it will make under such contracts for the sale of Express Mail.

(j) Provide separately for BY 1998 and FY 1999 the total amount of payments made by the Postal Service under such contracts for the sale of all other postal products.

(k) Provide separately for FY 2000 and for the Test Year the Postal Service's estimates of the total payments it will make under these contracts for the sale of all other postal products.

(l) How many such contracts with a "Performance Payment Rate" structure (see the attachment) that is the same as or similar to that reflected in the attachment (*i.e.*, where payments are made to the CPU operator on the basis of a stated percentage of the funds received for the sale of Priority Mail and/or Express Mail at a rate higher than for other postal products) are currently in effect?

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(m) Provide the total amount paid by the Postal Service under all such contracts since the inception of this program up to the present, separately for Priority Mail and for Express Mail.

ATTACHMENT 4 - COMPENSATION

CONTRACT STATION/CONTRACT BRANCH/COMMUNITY POST OFFICE

The supplier agrees to operate a CONTRACT POSTAL UNIT and will receive performance based payments as set out below:

Performance payments will be made in arrears, by the St. Louis Accounting Service Center within 21 days after the end of each Postal Accounting Period (a twenty-eight day period beginning on a Saturday and ending on a Friday comprising two designated two-week postal pay periods) except that payment for Accounting Period 13 shall be made within 28 days after its end.

Performance Payment Rate

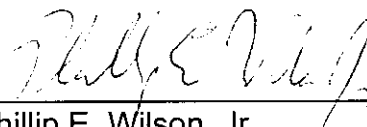
Performance Payment rates are as follows:

The Supplier will be paid 20% of the postal funds it receives and remits for the sale of domestic Priority Mail and domestic Express Mail.

The Supplier will be paid 5% of the postal funds it receives and remits for the sale of all other postal products and services that are checked in Section II of Attachment 1.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Commission's Rules of Practice.



Phillip E. Wilson, Jr.
Attorney for United Parcel Service

Dated: February 16, 2000
Philadelphia, Pa.

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