

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

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Postal Rate and Fee Changes, 2000 )

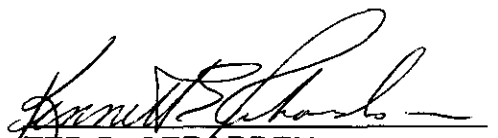
Docket No. R2000-1

OFFICE OF THE CONSUMER ADVOCATE  
INTERROGATORIES TO UNITED STATES POSTAL SERVICE  
WITNESS WILLIAM P. TAYMAN (OCA/USPS-T9-20-25)  
February 17, 2000

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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-T9-20. Please refer to USPS-LR-I-126, chapter II, FY98 Actual Expenses by Segment/Component, cost segment 20, primary account number 56617, titled "Interest – late payments to contractors," the expenses totaling \$2,939,782.21 (\$2,936,467.91 + \$3,314.30).

- (a) Please explain why the USPS makes late payments to its contractors.
- (b) Please provide the cost of capital saved by delaying payments to its contractors.
- (c) Please provide the amounts budgeted for this account for FY00 and FY01.
- (d) Please provide the actual primary account balance for 56617 for FY99 and year-to-date FY00.
- (e) Do late payments facilitate the USPS's ability to optimize its cash management objectives? If so, please explain.

OCA/USPS-T9-21. Please refer to USPS-LR-I-126, chapter II, FY98 Actual Expenses by Segment/Component, cost segment 20, primary account number 58115, titled "Interest – untimely payments to Thrift Savings Plan," the expenses of \$499,596.52."

- (a) Please explain why the USPS made untimely payments to the Thrift Savings Plan.
- (b) What is the USPS cost of capital saved by making untimely payments to the employees' Thrift Savings Plan?
- (c) For FY00 and FY01, please provide the amounts budgeted for untimely payments?
- (d) Please provide FY99 actual expenses for primary account 58115.

- (e) Please provide FY00 year-to-date actual expenses for primary account 58115.
- (f) Did the late payment(s) facilitate the USPS's ability to optimize its cash management objectives? If so, please explain.
- (g) Please identify each year the Postal Service has made untimely payments to the employees' Thrift Savings Plan. For each year an untimely payment was made, please include the total amount expensed to primary account 58115. OCA/USPS-T9-22. The following refers to USPS-LR-I-126, chapter II, FY98 Actual Expenses by Segment/Component, segment 20, primary account numbers 52472, 56203, 56213 56214, 56215, 56661 and 56665, for bad debts and losses which totaled \$49,199,130.63.
- (a) Please provide the amounts budgeted for each of the accounts listed in this interrogatory for FY00 and FY01.
- (b) For FY99, please provide the actual amounts for each of the accounts listed in this interrogatory.
- (c) For FY00, please provide the FY00 actual year-to-date expenses for each of the accounts listed in this interrogatory.
- (d) Please explain what resulted in the "adjusted losses – claim for cash losses" of \$22,686,535.43.
- (e) What collection measures does the USPS take to recover its bad debts?
- (f) How long does the USPS attempt to recover a bad debt before it is written off?

OCA/USPS-23. The following refers to USPS-LR-I-126, chapter II, FY98 Actual Expenses by Segment/Component, segment 20, primary account numbers 52361, 52363, 52365, 52367 for training by contract support in the amount of \$31,413,009.12.

- (a) Please identify the types of training conducted by these contractors.
- (b) For each account listed in this interrogatory, please provide the FY99 and year-to-date FY00 actuals.
- (c) Please provide, by account number(s), the amounts budgeted for contract instructors for FY00 and FY01.
- (d) Has the USPS taken any steps to reduce the amount spent on contract instructors? If so, please identify all measures taken. If not, please explain why the USPS does not plan on reducing the amount spent on contract instructors.

OCA/USPS-T9-24. The following refers to USPS-LR-I-126, chapter II, FY98 Actual Expenses by Segment/Component, segment 15, primary account number 54146, "Telephone Service – Private Residence of USPS Employees," the amount totaling \$416,765.12.

- (a) Are business-use-only phones installed in the USPS employees' private residences?
- (b) If your response to part "a" of this interrogatory is negative, please explain how the USPS controls the usage of a private residential phone.
- (c) Please indicate the amount of long distance charges billed to account 54146 for FY98, actual FY99, and year-to-date FY00.

- (d) If your response to part "c" of this interrogatory is other than 100 percent of the costs were long distance charges, please identify (1) the amount paid for private residential business-use-only phones, (2) the amount paid for private residence business-use-only long distance calls, and (3) other. For the amount identified as other, please explain what types of private residence telephone expenses the Postal Service includes in the category identified as "other."
- (e) Please identify and explain the criteria the USPS uses in determining whether the Postal Service will provide an employee with private residence telephone service. Provide copies of documents that relate to the criteria.
- (f) Of the long distance charges billed to account 54146, what amount was expensed to 54146 for non-business related long distance calls?
- (g) Please provide the total FY99 actual expenses for account 54146.
- (h) Please provide the year-to-date FY00 actual expenses for account 54146.
- (i) Please provide the FY00 and FY01 budget for account 54146.
- OCA/USPS-T9-25. The following refers to USPS-LR-I-126, chapter II, FY98 Actual Expenses by Segment/Component, segment 15, primary account 54156, "Energy Savings Shared with Contractors," the amount totaling \$2,151,470.43.
- (a) Please explain the amounts and types of energy savings that are included in primary account 54156 for FY98.
- (b) Please provide the FY99 actuals for account number 54156.
- (c) Please provide the year-to-date FY00 actuals for account number 54156.
- (d) Please provide the amounts budgeted for account 54156 for FY00 and FY01.

(e) Are the FY98 shared energy savings a one-time event? If so, please explain how one-time-event(s) are handled in the USPS Docket No. R2000-1 roll-forward. If not, please explain what the "energy saving" programs are and why the USPS shares savings with contractors for more than a one-year time period.

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 17, 2000