

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

RECEIVED

FEB 29 4 34 PM '00

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS EGGLESTON TO INTERROGATORIES OF
TIME WARNER INC.
(TW/USPS-T26-1-2)

The United States Postal Service hereby provides the responses of witness Eggleston to the following interrogatories of Time Warner Inc.: TW/USPS-T26-1-2, filed on February 15, 2000.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Scott L. Reiter

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2999 Fax -5402
February 29, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON
TO INTERROGATORIES OF TIME WARNER, INC.

TW/USPS-T26-1 Please refer to page 3 of Attachment A to your testimony, containing a table titled "Productivities, Conversion Factors and Variabilities for Direct Labor Operations." Refer to the line called "manually dump sacks at non-BMC" showing a productivity rate of 110.9. Next to this number is a reference to footnote 3 which says: "Proxy based on Planning Guidelines (PGLs)."

- a. Please confirm that in the electronic version the 110.9 figure is derived as $99.4/0.896$, where 99.4 represents sacks per manhour and 0.896 is a volume variability figure. If not confirmed, please explain.
- b. What are the "Planning Guidelines," by whom are they used and for what types of purpose?
- c. How were the "Planning Guidelines" developed? How and how often are they updated?
- d. Please provide a current copy of the "Planning Guidelines." If such a copy already has been provided in this or an earlier docket, please provide references.
- e. How was the 99.4 productivity figure calculated? Please provide all information available to the Postal Service regarding the origin of this and all other productivity estimates in the "Planning Guidelines."
- f. Did the 99.4 sacks per hour figure originate from an MTM (Methods Tie Measurement) standard?
- g. Which of the following does the 99.4 sacks per manhour figure include: (1) breaks and personal needs; (2) clocking in/out; (3) other "not handling" time; or (4) empty equipment handling? If any of the above are included, please explain how.
- h. Which of the following activities are included in the productivity rate for dumping of sacks at non-BMC's referred to above: (1) getting the sack from a belt, slide or container; (2) eye-focus and reading the sack label; (3) untying the sack; or (4) straightening the sack and storing it for recycling after it has been emptied?

RESPONSE

- (a) Confirmed.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON
TO INTERROGATORIES OF TIME WARNER, INC.

(b) It is my understanding that PGLs are used as a target productivity at Postal Service mail processing facilities.

(c) It is my understanding that the current PGLs were developed using MTM analysis and that the Postal Service is currently in the process of updating the PGLs. However, it is unknown when the updated PGLs will be available.

(d) Attached are four pages of "new PGLs" that were received during the preparation of Docket No. R97-1. If any additional information or documentation can be located, it will be provided as soon as it is available.

(e-h) It is my understanding that all the productivities in the PGLs are produced using MTM analysis. In MTM analysis, standards are set for lengths of time of certain activities. This type of analysis allows users to determine what type of activities to include in the time analysis. I have not yet been able to find any information about whether the activities listed in (g) and (h) are included in the manual sort productivity. This information will be provided as soon as it is available.

NEWPGLS

B124101GEN	1122.33	PARCEL	SINGLE POSITION HIGH SPEED INDUCTION UNIT
B124104AAA	1569.86	PARCEL	PRIMARY PARCEL SORTER INDUCTION
B124117AAA	1569.86	PARCEL	PARCEL SORTER INDUCTION, PPSM-3, 3-DIGIT, NYB
B124201AAA	1801.80	PARCEL	PARCEL SORTER INDUCTION, PPSM-3-1, CHI AND NYB
B124207AAA	1602.56	PARCEL	PARCEL SORTER INDUCTION SECONDARY/ DIRECT FEED
B124207AAB	1364.26	PARCEL	SECONDARY PARCEL SORTER/ TIME SHARE FEED
B125001AAA	663.13	SACK	SACK SORTER INDUCTION, 3-DIGIT
B125001AAB	568.83	SACK	SACK SORTER INDUCTION, 5-DIGIT
B126202AAA	333.22	SACK	UNLOAD BEDLOADED SACKS FROM VAN TO EXTENDIBLE
B126202CHI	331.46	SACKS/MOS	UNLOAD BEDLOADED SACKS & MOS FR VAN TO EXTENDIB
B126203AAA	1375.52	PARCEL	UNLOAD BRICKLAYED PARCELS TO EXTENDIBLE
B126204AAA	322.48	NMO	UNLOAD BEDLOADED NMO'S FROM VAN TO IHC
B126204CHI	128.70	NMO	UNLOAD BEDLOADED NMOs FROM VAN TO PALLET
B126205AAA	30.36	CONTR. (OT	UNLOAD OTR'S FROM 40 FT VAN TO TOWLINE
B126205AAB	30.45	CONTR. (OT	UNLOAD OTR'S FROM 45 FT VAN TO TOWLINE
B126207AAA	37.51	PALLET	UNLOAD PALLETS FROM VAN TO STAGING AREA
B126208CHI	8.27	SACKS	BREAKUP PALLET OF SACKS/MOS ONTO CONVEYOR
B126209AAA	509.42	NMO	UNLOAD BEDLOADED NMOS FROM VAN TO EXTENDIBLE
B126213CHI	42.60	PALLETS	UNLOAD PALLETS FROM VAN TO STAGING
B126216AAA	464.68	PIECE	UNLOAD MIXED VANS (PARCELS, SACKS, NMOs)
B126306CHI	21.93	HAMPERS	UNLOAD AND DUMP HAMPER (HAMPER DUMPER)
B126308CHI	224.01	PALLETS/C	UNLOAD MOs FROM PALLETS & CONTAINERS (OTR)
B127202AAA	435.73	SACK	LOAD SACKS/MOs FROM EXTENDIBLE INTO VAN
B127203AAA	676.59	PARCEL	LOAD BRICKLAYED PARCELS FROM EXTENDIBLE TO VAN
B127204AAA	369.55	NMO	BEDLOAD NMOs IN VAN FROM CONTAINER
B127205AAA	56.20	CONTR. (OT	LOAD FULL CONTAINERS ONTO 40 FT VAN
B127205AAB	50.31	CONTR. (OT	LOAD FULL CONTAINERS ONTO 45 FT VAN
B127207AAA	40.49	PALLET	LOAD PALLETS FROM STAGING AREA ONTO VAN
B127209AAA	287.11	SACK	BEDLOAD SACKS FROM CONTAINER TO VAN
B127211AAA	54.97	CONTR. (OT	LOAD EMPTY CONTAINERS ONTO 40 FT VAN
B127211AAB	52.52	CONTR. (OT	LOAD EMPTY CONTAINERS ONTO 45 FT VAN
B127211AAC	48.25	CONTR. (OT	UNLOAD EMPTY CONTAINERS FROM 40' VAN
B127211AAD	50.44	CONTR. (OT	UNLOAD EMPTY CONTAINERS FROM 45' VAN
B127215AAA	659.20	PIECE	LOAD MIXED VANS (PARCELS, SACKS, NMOs)
B127508CHI	287.11	SACKS	BEDLOAD SACKS FROM CONTR TO VAN
B127609CHI	280.90	SACKS	LOAD SACKS IN VAN FROM IHC
B127611CHI	5.30	HRS/DAY	LOAD EMPTY CTRS DOCK AREA 05 FIXED MANNING
B128001AAA	274.80	PARCEL	ZIP CODE UNCODED PARCELS
B128003AAA	126.90	SACK	ZIP CODE UNCODED SACKS
B128101AAA	491.16	SACKS/MAC	SACK SHAKE OUT AUTOMATIC
B128201AAA	201.45	PARCEL	TEND ROTARY SACK HOLDERS IN SECONDARY
B128203AAA	261.44	PARCEL	SORT TO TIMESHARE SACK RACK, SECONDARY
B128207CHI	254.07	PARCELS	PARCEL SACKOUT, DIRECTS FROM CHUTES
B128209CHI	275.25	PARCELS	PARCELS TO B-413 MISSENT CHUTE
B128210CHI	376.08	PARCELS	MANUAL PARCEL SORT FROM R/T TO SACK RACK
B128213AAA	614.25	PARCEL	DIRECT SACKOUT STATION
B128214CHI	44.78	SACKS	REMOVE FULL & HANG EMPTY SACK, PRIMARY DIRECT
B128301AAA	58.40	HRS/DAY	CULL MISSENT & MALFUNCTION-SMALL (NACKE REV)
B128301AAB	80.30	HRS/DAY	CULL MISSENT & MALFUNCTION-MEDIUM (NACKE REV)

NEWPGLS

B128301AAC	109.50	HRS/DAY	CULL MISSENT & MALFUNCTION-LARGE (NACKE REV)
B128401CHI	7.00	HRS/DAY	TOWL. CTR CNTL AREA 01 FIXED MANNING
B128402CHI	8.00	HRS/DAY	TOWL. CTR CNTL AREA 02 FIXED MANNING
B128404CHI	6.00	HRS/DAY	TOWL. CTR CNTL TR 3 AREA 04 FIXED MANNING
B128405CHI	3.00	HRS/DAY	TOWL. CTR CNTL TR 2 AREA 05 FIXED MANNING
B128406CHI	5.30	HRS/DAY	TOWL. CTR CNTL TR 3 AREA 06 FIXED MANNING
B128407CHI	3.00	HRS/DAY	TOWL. CTR CNTL TR 2 AREA 07 FIXED MANNING
B128408CHI	5.30	HRS/DAY	TOWL. CTR CNTL TR 3 AREA 08 FIXED MANNING
B128409CHI	5.30	HRS/DAY	TOWL. CTR CNTL TR 3 AREA 09 FIXED MANNING
B128410CHI	8.00	HRS/DAY	TOWL. CTR CNTL AREA 10 FIXED MANNING
B128411CHI	3.00	HRS/DAY	TOWL. CTR CNTL TR 2 AREA 11 FIXED MANNING
B128412CHI	7.00	HRS/DAY	TOWL. CTR CNTL TR 3 AREA 12 FIXED MANNING
B128413CHI	16.00	HRS/DAY	TOWL. CTR CNTL TR 2 AREA 13 FIXED MANNING
B128501AAA	36.50	MAX HRS/D	PACU-SACU
B128504CHI	4.44		CONTAINER UNLOAD PARCELS FROM OTR & PLACE ON CONVEYOR
B128508AAA	4854.37	PARCEL	DUMP HAMPER USING AUTO DUMPER PCS/HR
B128508AAB	57.29	HAMPER	DUMP HAMPER USING
B128512CHI	18.37	PALLETS	INDUCT PALLETS (PARCELS)
B128601AAA	18.05	CONTR	TEND CONTAINER LOADERS
B128601CHI	17.87	CONTAINER	TEND CONTAINER LOADERS (PARCELS)
B128602CHI	19.55	CONTAINER	TEND CONTAINER LOADER (TIEOUT)
B128801CHI	80.00	HRS/DAY	FORKLIFT DRIVERS FIXED MANNING
B128821AAA	23.47	PALLET	CROSS DOCK PALLETS TO OUTBOUND
B128901AAA	192.42	SACK/MO	SORT SACKS/MOs FROM RLR TABLE/SWTH TO CONTAINER
B128905CHI	202.27	MO/NMO	SORT NMO, MO FROM ROLLER TABLE TO CONTAINERS
B128914AAA	164.96	EMPTY SAC	EMPTY SACK HANDLING AT SACK SHAKEOUT
B128917CHI	5.58	CONTR (I/H	EMPTY SACK DISTRIBUTION
B128918CHI	13.72	CONTAINER	REINDUCT SACKS FROM IHC & PLACE ON CONVEYOR
B130135AAA	1278.77	LETTER BB	CASE LETTER SIZE BBM (045)
B131422AAA	874.13	FLAT	CASE FLAT SIZE BBM (075)
B132021PIT	342.70	PARCELS	LOAD INCOMING PARCELS TO APC, PRIM. SORT
B132102AAA	91.39	NMO	MANUAL NMO SORTATION, MULTISLIDE
B132102DSM	121.37	NMO	NMO SORT - DES MOINES
B132104AAA	101.47	NMO	MANUAL SORT NMOs TO MULTIPLE CONTAINERS
B132105CHI	336.02	PARCELS	CULL PARCEL FROM OTR TO OTR
B132201AAA	557.10	IPP	SORT IPPs (W/CONVEYOR)
B132201AAB	403.32	IPP	SORT IPPs (WITHOUT CONVEYOR)
B132201CHI	517.06	IPP	SORT IPPs (W/CONVEYOR) TO SACKS
B132202CHI	582.07	IPP	SORT IPPs (W/CONVEYOR) TO HAMPERS
B132203CHI	575.37	IPP	SORT IPPs (W/CONVEYOR) TO CONTAINERS
B133011CHI	231.75	PARCELS	PRIMARY SORT FOREIGN PARCELS R/T TO O/R CONTR
B133012CHI	6.59	CONTAINER	FOREIGN SORT FROM NMO CONTAINERS
B133013CHI	0.66	CONTAINER	FOREIGN SORT FROM CONTAINERS I/B DOCK
B133014CHI	2.02	HAMPERS	FOREIGN SORT FROM NON-ZIP HAMPERS PSM-4 & 5
B133015AAA	171.59	PARCEL	FOREIGN PARCEL SORT TO SACK, INTERIOR BMC ONLY
B133017CHI	2.00	HRS/DAY	FOREIGN CLERK ADMIN. FIXED MANNING
B141121AAA	18.14	SACK	SHAKEOUT AND DISTRIBUTE CIRCS (LTRS AND FLATS)
B141121PIT	16.12	SACKS	SHAKEOUT AND DISTRIBUTE CIRCS & FLATS (PGH)
B147012AAA	99.40	SACK	MANUAL SACK SHAKEOUT (PP) (IPP), SMALL BMC

NEWPGLS

B147012AAB	109.40	SACK	MANUAL SACK SHAKEOUT (IPP) MEDIUM BMC
B147019AAA	8.27	PALLET	BREAK UP PALLET OF SACKS ONTO CONVEYORS
B147020AAA	2.45	PALLET	BREAK UP PALLET OF PARCELS ONTO CONVEYORS
B147020CHI	2.46	PALLETS	PREP PALLET FOR UNLDG, UNLD PARCELS 258-1, 112-
B147305CHI	208.51	PARCELS	REPAIR MINOR DAMAGE AT FLOOR FR HAMPER
B147308CHI	66.98	PARCELS	REPAIR MINOR DAMAGE AT FLOOR FR BELT OR INSIDE
B147314CHI	73.38	NMO	REPAIR MINOR NMO DAMAGE & REINDUCT
B150213AAA	7.30	HRS/DAY	LABEL AND CARD CLERK (NACKE REV)
B153014AAA	50.04	BUM #1	BUNDLING EMPTY #1, #2, & DEFECTIVE SACKS INTO B
B153017AAA	45.35	BUM #3	BUNDLING EMPTY #3 SACKS INTO BUMS
B153023AAA	99.17	HMPR/MAN	STACK EMPTY HAMPERS, 2 OPERATORS
B156019CHI	127.45	PARCELS	CULL MAJOR DAMAGE AT DOCKS
B156111AAA	51.64	PARCEL	PARCEL REPAIR, PLASTIC STRAPPING (MACHINE)
B156112AAA	60.39	PARCEL	PARCEL REPAIR W/HAND STRAPPING MACHINE
B156113AAA	133.90	PARCEL	PARCEL REPAIR W/PLASTIC SHRINK WRAP MACHINE
B156114AAA	127.45	PARCEL	CULL MAJOR DAMAGE
B156115AAA	7.30	HRS/DAY	SCREEN PLANT TRASH/REFUSE (NACKE REV)
B156116AAA	7.30	HRS/DAY	LOOSE IN THE MAIL (NACKE REV)
B156116CHI	48.00	HRS/DAY	LOOSE IN THE MAIL-CHICAGO FIXED MANNING
B160015CHI	16.00	HRS/DAY	MISCELLANEOUS MAIL ACTIVITIES FIXED MANNING
B160018CHI	1193.32	PARCELS	VERIFY PARCEL ZIP CODE
B181101AAA	6.26	VAN	CLERK, UNLOADING DOCK, O/H DOOR
B181102AAA	2.82	VAN	CLERK, LOADING DOCK, O/H DOOR
B181107CHI	9.34	VAN	CLERK, LOAD VAN, SPOT ONLY, O/H O/B
B181110CHI	8.78	VAN	CLERK, UNLOAD VAN, SPOT ONLY, O/H I/B
B181114CHI	14.49	VAN	CLERK, LOAD VAN, PULL ONLY, O/H O/B
B181117CHI	27.00	VAN	CLERK, UNLOAD VAN, PULL ONLY, O/H I/B
B181201AAA	6.75	VAN	CLERK, UNLOADING DOCK, BATWING DOORS
B181201CHI	8.84	VAN	CLERK, LOAD VAN, SPOT ONLY, B/W O/B
B181202AAA	2.82	VAN	CLERK, LOADING DOCK, BATWING DOORS
B181202CHI	10.65	VAN	CLERK, LOAD VAN, PULL ONLY, B/W O/B
B181205CHI	28.76	VAN	CLERK, UNLOAD VAN, PULL ONLY, B/W I/B
B181219CHI	4.46	VAN	CLERK, UNLOAD VAN, SPOT ONLY, B/W I/B
B182001AAA	7.44	VAN	SPOT LOADED VAN TO I/B DOCK, O/H DOOR
B182002AAA	5.80	VAN	SPOT LOADED VAN TO I/B DOCK, BATWING DOORS
B182002CHI	5.43	VAN	SPOT EMPTY VAN, PAD TO O/B DOCK, B/W DOORS
B182004CHI	12.43	VAN	SPOT EMPTY VAN I/B DOCK TO PAD O/H DOOR
B182005CHI	8.94	VAN	SPOT EMPTY OR PULL LOADED VAN I/B, O/H DOOR
B182006CHI	7.21	VAN	SPOT EMPTY OR PULL LOADED VAN I/B B/W DOORS
B182101AAA	7.47	VAN	SPOT LOADED VAN FROM O/B DOCK TO PAD, O/H DOOR
B182102AAA	7.35	VAN	SPOT LOADED VAN FROM O/B TO PAD, BATWING DOORS
B182104CHI	7.47	VAN	SPOT LOADED VAN, FROM O/B DOCK TO PAD O/H DOOR
B182105CHI	7.74	VAN	SPOT EMPTY OR PULL LOADED VAN O/B, O/H DOOR
B182106CHI	5.04	VAN	SPOT EMPTY OR PULL LOADED VAN I/B B/W DOORS
B182201AAA	12.43	VAN	SPOT EMPTY VAN, I/B DOCK TO PAD, O/H DOOR
B182202AAA	8.03	VAN	SPOT EMPTY VAN, I/B DOCK TO PAD, BATWING DOORS
B182203CHI	6.36	VAN	SPOT EMPTY VAN, PAD TO O/B DOCK, O/H DOOR
B182206CHI	5.80	VAN	SPOT LOADED VAN TO I/B DOCK B/W DOORS
B182301AAA	6.36	VAN	SPOT EMPTY VAN, PAD TO O/B DOCK, O/H DOOR

NEWPGLS

B182302AAA	5.43 VAN	SPOT EMPTY VAN, PAD TO O/B DOCK, BATWING DOORS
B182304CHI	7.35 VAN	SPOT LOADED VAN, FROM O/B DOCK TO PAD B/W DOORS
PF&D	1	PERSONAL, FATIGUE AND DELAY FACTOR

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON
TO INTERROGATORIES OF TIME WARNER, INC.

TW/USI'S-T26-2 Please refer to page 3 of Attachment A to your testimony, containing a table titled "Productivities, Conversion Factors and Variabilities for Direct Labor Operations." Please refer to the line called "Sack shake out" which shows a productivity rate of 71.8 sacks per manhour.

- a. Does this refer to the mechanized sack shake out operation performed at BMC's? If no, what does it refer to?
- b. If the manual productivity rate for emptying sacks, referred to on the next line, is faster than the mechanized method, then why does the Postal Service continue to use the mechanized method? Please explain fully.
- c. The footnote next to the 71.8 productivity figure refers to an R97-1 testimony. Please explain how the 71.8 figure was originally derived.

RESPONSE:

(a) It is my understanding that this productivity was derived from productivities of the mechanized sack shake out operation at six BMCs through the National Productivity Information Report System (PIRS). It is possible that this productivity also includes some manual sack shake out.

(b) The manual dump sack productivity was used in the model because it was the best available data and it is the same productivity that was used and accepted in Docket No. R97-1. Since the manual sack dump productivity is based off a planning guideline, it is possible that it is overstated.

In addition, even if the manual sack dump productivity is higher than the mechanized sack shakeout productivity, there is at least one reason why the Postal Service may choose to use the mechanized dump versus a manual one. BMCs are set up so that the majority of operations are integrated. Sacks of

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS EGGLESTON
TO INTERROGATORIES OF TIME WARNER, INC.

machinable parcels are unloaded and moved to the mechanized sack shake out via a conveyor system. After the parcels are shaken out of the sack, they continue through the conveyor system to the parcel sorting machine. Since BMCs are already set up to use the mechanized sack shake out, and the majority of the BMC floor space is utilized, it would be burdensome to switch to a manual sack dump. Even if floor space were available, it would be burdensome to move sacks and parcels to and from the operation. Most likely the economies of the higher productivity would be outweighed by the diseconomies of not using the integrated system.

(c) The 71.8 marginal productivity is calculated as the average productivity 70.86 divided by the "BMC Other" variability of .987. The 70.86 productivity is derived in Docket No. R97-1, LR-H-132, page 329. The description of how this productivity was derived is described in LR-H-132.

DECLARATION

I, Jennifer Eggleston, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Jennifer Eggleston
JENNIFER L. EGGLESTON

Dated: 2/29/00

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



Scott L. Reiter

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2999 Fax -5402
February 29, 2000