

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

RECEIVED
MAR 2 4 39 PM '00
POSTAL RATE COMMISSION
OFFICE OF THE CLERK

Postal Rate and Fee Changes

Docket No. R2000-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE
WITNESS SMITH TO POSTCOM INTERROGATORIES
(POSTCOM/USPS-T21-1-2)

The United States Postal Service hereby provides the responses of witness Smith to the following interrogatories of the Association for Postal Commerce: POSTCOM/USPS-T21-1-2, filed on February 17, 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


Richard T. Cooper

475 L'Enfant Plaza West, S.W.
(202) 268-2993; Fax: -5402
Washington, D.C. 20260-1137
March 2, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SMITH
TO INTERROGATORIES OF ASSOCIATION FOR POSTAL COMMERCE**

POST COM/USPS-T-21-1. Please refer to Attachment 1 to DMA/USPS-T-21-2. Supply the same information, as it is estimated, for FY99, FY00 and FY01.

Response:

See the attached productivities for FY99. Similar information for FY00 and FY01 are not available. The data available for FY00 has been provided in response to TW/USPS-1, and is contained in USPS LR-I-190.

**ATTACHMENT TO
POST COM/USPS-T21-1**

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SMITH
TO INTERROGATORIES OF ASSOCIATION FOR POSTAL COMMERCE**

National MODS Productivities

	Volumes (in 000s)	Workhours	Productivity(PPH*)
FY99			
FSM 881	16,857,616	27,640,684	610
FSM 1000	6,251,222	10,450,937	598
Manual Flats	6,256,220	15,390,590	406
Total of Above	29,365,058	53,482,211	549
SPBS	3,356,697	14,096,518	238

Note: Productivity is Volume/Workhour. Volume is Total Pieces Fed (TPF) for all operations except manual flats, for which it is Total Pieces Handled (TPH). FY99 productivities based on methods used in USPS-LR-I-107, section III.

*PPH is Pieces Per Hour.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SMITH
TO INTERROGATORIES OF ASSOCIATION FOR POSTAL COMMERCE**

POST COM/USPS-T-21-2. Please refer to your response to DMA/USPS-T-21-2(e).

- a. By whom were you "told that the decline in the FFM 881 productivity may reflect the increase[d] focus on service"?
- b. What do you interpret the phrase "increase[d] focus on service" to mean?

Response:

- a. Witness Linda Kingsley told me that increased flat processing costs were related to increased attention to improving service. Witness Kingsley indicated that this was based on information from various Area and field managers.
- b. It is my understanding that the Postal Service added additional staff at the end of FY98 for the FY99 fall mailing season in anticipation of larger volume increases than what actually occurred. This was done to address industry's concerns to ensure improved service over the previous fall mailing season by reducing on-hand volumes at BMCs, plants and delivery units.

DECLARATION

I, Marc A. Smith, hereby declare, under penalty of perjury, that the foregoing Docket No. R2000-1 interrogatory responses are true to the best of my knowledge, information, and belief.

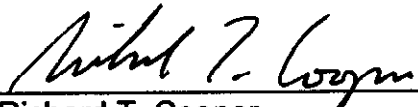


Marc A. Smith

3/2/2000
Date

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.


Richard T. Cooper

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
March 2, 2000