

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

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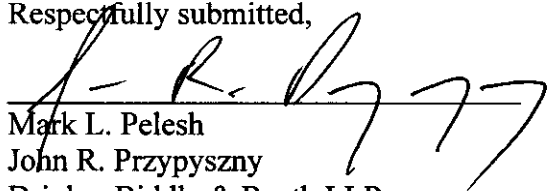
POSTAL RATE AND FEE CHANGES, 2000)

Docket No. R2000-1

**FIRST SET OF INTERROGATORIES OF
ASSOCIATION OF AMERICAN PUBLISHERS
TO USPS WITNESS BOZZO AAP/USPS-T15-1-9**

Pursuant to Section 25 and 26 of the Commission's Rules of Practice and Procedure, the Association of American Publishers (AAP), hereby submits the following interrogatories and request for production of documents to USPS witness Bozzo (USPS-T-15). AAP incorporates by reference the instructions in OCA interrogatories OCA/USPS-1-15 (filed January 24, 2000). If the designated witness is unable to respond to any interrogatory, or any part therein, we request a response by some other qualified witness.

Respectfully submitted,


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CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document, by First-Class Mail,
upon the participants in this proceeding.

Date: March 10, 2000


John R. Przypyszny

**FIRST SET OF INTERROGATORIES OF
ASSOCIATION OF AMERICAN PUBLISHERS
TO UNITED STATES POSTAL SERVICE WITNESS BOZZO**

AAP/USPS-T15-1 On page 32 (line 18) and page 33 (line 1) of your testimony, you state “[w]hether the Postal Service’s actual plans and procedures are cost minimizing is beyond the scope of this testimony.” With respect to this statement, please confirm that neither you nor any other USPS witness in this case has analyzed or addressed in any way whether the Postal Service’s actual plans and procedures are cost minimizing. Please provide a full explanation for your answer.

AAP/USPS-T15-2 On page 107 of your testimony at Table 3, you present a summary of sample selection rules for various MODS cost pools. Please provide the same information shown on Table 3 for the following MODS cost pools:

- a) MECPARC “Mechanized Parcels”
- b) LD43 “LDC 43 – Unit Distribution Manual”
- c) LD44 “LDC 44 – Post Office Box Distribution”
- d) LD48 “LDC48– Customer Service/Spec. Service”
- e) LD49 “LDC 49 – Computerized Forwarding System”
- f) MODS 99 1 Supp-F1
- g) MODS 99 1 Supp F4

AAP/USPS-T15-3 On page 109 (lines 14-16) of your testimony, you state that for manual parcel operations, “a non-negligible fraction of the observations” or 3.8%, report fewer than forty work-hours per quarter. With respect to this statement, please provide all underlying data used to derive the figure of 3.8%.

AAP/USPS-T15-4 On page 109 of your testimony (lines 16-19), you state “[e]xamining the data, I found evidence that hours, volumes, or both are likely to be erroneous for most of the manual parcel and manual Priority Mail observations removed from the sample by the threshold check.” With respect to this statement, please identify and provide all manual parcel data

examined by you and a description of the procedure used to conclude that “hours, volumes or both” were likely to be erroneous.

AAP/USPS-T15-5 On page 126 or your testimony at Table 9, you compare volume variability for manual parcels in BY 1996 (R97-1) and BY 1998. The variability measured for manual parcels in BY 1998 is 32.2% greater than the estimate prepared by Dr. Bradley in R97-1. Please explain why the volume variability for manual parcels has increased so dramatically since R97-1.

AAP/USPS-T15-6 On page 135 (lines 13-15) of your testimony, you state that “[i]nsofar as the Postal Service does not have additional evidence that might persuade the Commission to adopt Dr. Bradley’s models and results, it was decided to use the previously accepted variability method for the BMCs.” With respect to this statement:

(a) Please provide any calculations performed by you or any other Postal Service witnesses that illustrate the effect of Dr. Bradley’s models and results on BMC costs in this case.

(b) Please state if, and when, the Postal Service intends to update Dr. Bradley’s BMC models.

AAP/USPS-T15-7 On page 136 (lines 5-9) of your testimony, you state “I cannot rule out the possibility that the PIRS data issues are serious, but note that the PIRS workload data would have to be so noisy as to be useless in order for the IOCS-based method not to significantly overstate the BMC volume-variable costs relative to Dr. Bradley’s methods.” With respect to this statement, please provide any mathematical examples that demonstrate or illustrate the magnitude of the difference in volume variability for BMC costs that is produced using the IOCS-based method as compared to Dr. Bradley’s methods.

AAP/USPS-T15-8 On page 137 (lines 14-15) of your testimony, you state that “[a]dditionally, descriptions of platform activities have long recognized that vehicle arrivals and departures are also drivers of platform workload.” With respect to this statement, please confirm that the Postal Service has not incorporated vehicle arrivals and departures as cost drivers for platform activities in any of the cost studies filed in this case. If you cannot confirm, please provide an explanation and identify the costs studies that incorporate vehicle arrivals and departures as cost drivers.

AAP/USPS-T15-9 On page 138 (lines 13-17) of your testimony, you state “I explored the applicability of data on the number of truck arrivals and departures from the TIMES system for

use as a platform cost driver.” Please provide a full description and summary of your use of the TIMES system to analyze platform costs. In addition, please explain when the TIMES system was first developed and used by the Postal Service.