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BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

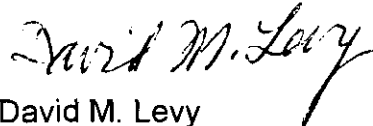
Docket No. R2000-1

Postal Rate and Fee Changes, 2000

**SECOND INTERROGATORIES OF ALLIANCE OF NONPROFIT MAILERS
TO USPS WITNESS KINGSLEY (ANM/USPS-T10-33-40)**

Pursuant to section 20 of the Commission's Rules of Practice, the Alliance of Nonprofit Mailers ("ANM") respectfully submits the attached interrogatories and document requests to USPS witness Linda A. Kingsley (USPS-T-10). ANM incorporates by reference the instructions in OCA interrogatories OCA/USPS-1-14 (filed Jan. 24, 2000).

Respectfully submitted,



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March 10, 2000

QUESTIONS

ANM/USPS-T10-33. Please refer to your response to ANM/USPS-T10-16 and the attachment thereto.

(a) Please define the "utilization rate" as you use that term in your response and the attachment.

(b) What are the units shown under the "utilization rate" column in the attachment?

(c) For the period FY 1996 to present, please provide data on the manual flats indicator that, according to your response, is being tracked between Headquarters and Area operations. If you have not been tracking manual flats since FY 1996, then provide data from the time you started tracking manual flats.

ANM/USPS-T10-34. This question concerns your testimony concerning the FSM 881 OCR modification.

(a) When did the Postal Service first deploy the FSM 881 OCR modification?

(b) How many of the 812 FSM 881s were equipped with the OCR modification at the end of Base Year 1998?

(c) How many of the 812 FSM 881s will be equipped with the OCR modification at the end of FY 2001?

ANM/USPS-T10-35. Please refer to your testimony at page 11, concerning the FSM 1000.

(a) In what year did the Postal Service install the first of the 340 FSM 1000s referred to in your testimony?

(b) How many FSM 1000s were installed in that year and each subsequent year (through total deployment of all 340 FSM 1000s)?

(c) For the most recent batch of FSM 1000s purchased and deployed by the Postal Service, what was the average cost per machine?

(d) Did those machines come equipped with BCR capability? If not, what was the cost to modify and include BCR capability?

ANM/USPS-T10-36. Please refer to your responses to ANM/USPS-T10-12 and 22.

(a) When did the Postal Service start developing OCR capability for the FSM 1000?

(b) You have stated that you expect an increase in throughput when FSM 1000s are finally modified to include OCR capability . Please explain why it takes so long for the Postal Service to develop and procure OCR capability for the FSM 1000, given that the technology already has been developed and deployed successfully for the FSM 881.

(c) Is the project underfunded?

(d) Is the Engineering Department understaffed or short of Research and Development funds?

ANM/USPS-T10-37. Please refer to your response to ANM/USPS-T10-25.

- (a) At BMCs, how many run-outs does the typical parcel sorter have?
- (b) In what years were the parcel sorters now in operation at BMCs deployed?

ANM/USPS-T10-38. Please refer to your response to ANM/USPS-T10-13. How many plants lack enough space to modify their SPBSs with an SPBS Feed System?

ANM/USPS-T10-39. Please refer to your response to ANM/USPS-T10-21, in which you confirm that the throughput capacity of one AFSM 100 is between 2-3 times the capacity of the FSM 881s and is expected to be approximately equivalent to 2.6 FSM 881s.

(a) Since the first 175 AFSM 100s will be used to supplement and expand existing flat sorting capacity, please confirm that the Postal Service's current shortfall in flat sorting capacity is at least equal to the equivalent of 450 FSM 881s.

(b) Please explain fully any failure to confirm without qualification.

ANM/USPS-T10-40. Your testimony contains numerous references to a current shortfall in flat processing equipment. For example, at page 11 (lines 26-28) you state that "the first phase of deployment [of the AFSM 100] is primarily intended to supplement our existing flat sorter equipment by providing needed flat sorting capacity" (emphasis added). At page 12 (lines 20-21), you state that "The FSM 1000 has helped reduce the volume of mail that is processed in manual operations" (emphasis added). At page 13, you state that "FSM 881s will be relocated to smaller sites that do not have flats sorting equipment or lack sufficient flats sorting capacity today" (emphasis added).

(a) Considering that the FSM 775/881 and the FSM 1000 have been available

for purchase for so many years, please provide a detailed explanation of why the Postal Service allowed such a shortage of mechanized flat sorting capacity to occur in Base Year 1998.

(b) Please produce documents sufficient to verify your response to part (a).

CERTIFICATE OF SERVICE

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

David M. Levy

March 10, 2000