

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

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POSTAL RATE COMMISSION
OFFICE OF THE CONSUMER ADVOCATE

Postal Rate and Fee Changes, 2000)

Docket No. R2000-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
(OCA/USPS-82-90)
March 13, 2000

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-82. Please provide the Postal Service's most recent volume estimates by mail category and special service for FYs 2002-05. If no estimate is available, please explain the basis Postal Service management uses when projecting the level of future mail volumes.

OCA/USPS-83. Please provide a breakdown of

- (a) First-Class Mail volume by mode of delivery for (1) base year 1998 and (2) FY 1999,
- (b) single-piece First-Class Mail volume by mode of delivery for (1) base year 1998 and (2) FY 1999.

OCA/USPS-84. Please refer to the Federal Register notice of final rule published February 7, 2000 (Volume 65, Number 25).

- (a) Does this rule allow any bulk Standard Mail (A) or First-Class mailing to be processed manually? Please explain fully.
- (b) The cost differences cited are \$5.00 per thousand for automated and \$60.00 per thousand for manual. Will this cause attributable costs for these two subclasses to rise? Please explain.
- (c) Has the Postal Service processed any mailings manually at the request of its customers? Please explain fully and provide an estimate of the volume of such mail processed in FYs 1998 and 1999.
- (d) Is manual sortation a factor in the recent cost increases for Standard Mail (A)? Please explain fully and provide any documents addressing this issue.

- (e) Are mailpieces sorted manually by request subject to a surcharge? If not, why not?

OCA/USPS-85. Focusing on the test year:

- (a) For each rate category, what volume of First-Class Mail does the Postal Service expect to sort manually during the test year?
- (b) For each rate category, what volume of Standard Mail (A) does the Postal Service expect to sort manually during the test year?
- (c) For each rate category, what volume of First-Class Mail does the Postal Service expect to sort manually at the request of a customer during the test year?
- (d) For each rate category, what volume of Standard Mail (A) does the Postal Service expect to sort manually at the request of a customer during the test year?

OCA/USPS-86. Suppose a single piece of First-Class Mail has written or typed on it "hand cancel only."

- (a) Please list every processing and cost difference caused by this endorsement.
- (b) How many pieces of mail with this endorsement were processed by the Postal Service in FYs 1998 and 1999?
- (c) How many pieces of mail with this endorsement does the Postal Service expect to process in the test year?

OCA/USPS-87. Please refer to the response of the United States Postal Service to

OCA/USPS-30. Does the Postal Service have estimates or other information regarding

the volume of courtesy reply mail supplied by businesses to households for each of the past three years that relates to classes of mail other than First-Class?

- (a) If so, please provide the estimate and all documents relating to the estimate.
- (b) If not, please explain why no estimate is available.

OCA/USPS-88. In general, does the USPS maintain volume and/or cost data for those mailpiece items having a "significant" impact on Postal Service operations? If not, please identify those mailpieces that have a "significant" impact on operations for which the Postal Service does not maintain volume or cost data. For purposes of responding to this interrogatory, please assign a dollar value to the word "significant" as determined by USPS management.

OCA/USPS-89. Please refer to the response of the USPS to ANM/USPS-T9-8.

- (a) When the USPS prepares a Capital Investment Plan, does the Postal Service include monies for unforeseen events?
- (b) If your response to part "a" of this interrogatory is negative, please explain why none is incorporated.
- (c) If your response to part (b) of this interrogatory is affirmative, please explain, in general, what the USPS uses as a basis or guideline for incorporating funds for unforeseen events. Please provide a copy of all documents related to capital asset budgeting and capital asset project management insofar as it concerns funds for unforeseen events.

- (d) If the USPS does not include an amount for unforeseen events in its Capital Investment Plan, when does the Postal Service incorporate monies for unforeseen events?
- (e) If no funds are included for unforeseen events when capital investments are considered or contracted out, please provide an analysis of USPS capital project cost over- and under-runs for the past 10 years.
- (f) For Docket No. R2000-1, please provide by year, the percent of total project costs as well as the total dollar amount incorporated into the approved capital investment plan for unforeseen events for each of the following categories: (1) facilities, (2) equipment, (3) infrastructure, (4) special, (5) vehicles, and (6) retail.
- (g) On page 1 of the Capital Investment Plan FY 1998-2002, the USPS indicates that in FY99, a total of \$3.817 billion was committed to. Of the \$3.817 billion, please indicate the amount that was included for unforeseen events.
- (h) Please confirm that in FY99, capital cash outlays overran the plan by \$61 million. If you are unable to confirm, please explain. If confirmed, please explain what caused the \$61 million overrun.
- (i) Please confirm that in FY 1999, the Board of Governors approved a total of \$1.257 billion for 16 new major capital investment projects. If you are unable to confirm, please explain. Of the \$1.257 billion that was approved, please identify the total amount included for unforeseen events. If the \$1.257 billion is a commitment for expenditures over time, please indicate the amounts committed to by year; and separately identify by year the amount included for unforeseen events.

OCA/USPS-90. Please provide an estimate of the cost of conducting public voting on the "Celebrate the Century" stamps and the "Elvis" stamps. Did the Postal Service consider the positive effect of public participation in these stamp selection processes? Please provide all documents relating to the public relations or public service benefits to the Postal Service of conducting the voting programs.

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
March 13, 2000