

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

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POSTAL RATE COMMISSION
OFFICE OF THE CLERK

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS TAYMAN TO INTERROGATORIES OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T9-28-29)

The United States Postal Service hereby provides the responses of witness Tayman to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T9-28-29, filed on March 2, 2000.

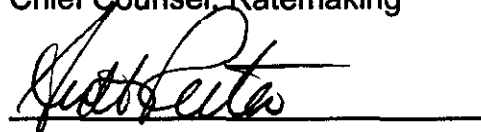
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Scott L. Reiter

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March 16, 2000

**RESPONSE OF WITNESS TAYMAN TO INTERROGATORIES OF
OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-T9-28. Please refer to your response to ANM/USPS-T10-17, Attachment I.

- (a) For FY98, FY99, FY00 and FY01, please provide the actual and planned amounts included in the "Facilities Special Fund" used by the Vice President, Facilities "to take advantage of unforeseen investment opportunities."
- (b) Please indicate how the Postal Service determines the amount of funds to budget for the "Facilities Special Fund."
- (c) Does the Postal Service include in its plan, budget or other forecasted data amounts for other "Special Funds" that allow the Vice President, Facilities or other group Vice Presidents to take advantage of "unforeseen opportunities?" If so, for each year amounts are included, please indicate the amount, the category of "unforeseen opportunities," and the title of the person for whom the funds are budgeted.
- (d) For FY99, FY00 and FY01, please provide the amount of funds included to "modernize the 25-year-old L'Enfant Plaza Headquarters facility." Include in your response the actual funds spent to modernize the L'Enfant Plaza Headquarters for FY99 and year-to-date FY00.
- (e) For FY00, please indicate the total funds that have been committed to for the modernization of the L'Enfant Plaza Headquarters.

RESPONSE:

- (a) The following table provides the requested information:

Fiscal Year	Actual	Plan
1998	\$ 4.2 M	\$ 16.7 M
1999	\$ 9.3 M	\$ 15.0 M
2000	\$ 3.4 M	\$ 6.8 M

The FY01 plan has not been developed.

- (b) The amount of funds budgeted for this category is based on an estimates provided by our facilities organization.
- (c) No.
- (d) – (e) This project was cancelled in FY99.

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OCA/USPS-T9-29. Please refer to your response to ANM/USPS-T10-17, Attachment III.

- (a) How much of the FY99 \$4.4 billion capital investment plan was actually committed to in FY99?
- (b) Were all of the FY99 capital investment plan committed funds actually spent in FY99? If not, please provide the amount actually spent in FY99.
- (c) Were any capital investments incurred in FY99 that were not included in the FY99 \$4.4 billion capital investment plan? If so, please list them and indicate the amount spent.
- (d) Have any of the FY99 capital investment planned expenditures been pushed forward to FY00? If so, how much of the FY00 \$3.5 billion plan includes funds originally included in the FY99 plan? If not, please explain what happened to the FY99 capital investment planned expenditures that were not actually committed to in FY99.
- (e) Per attachment III, the Board of Governors approved a FY00 plan of \$3.5 billion. To date, what specific projects has the Board of Governors approved for FY00 and for what amounts?
- (f) Of the \$3.5 billion capital investment plan for FY00, how much has been committed to? In your response, please include details on what investments have been committed to as well as the specific timing for the commitment of any remaining FY00 capital investment funds.

RESPONSE:

- (a) During FY99, \$3.8 billion of the capital investment plan was committed. It should be noted that during the year, the original plan was reduced to \$4.0 billion.
- (b) No. Capital commitments are recorded in the year that specific project authorization is made. Actual spending is normally made in future years as projects are completed.
- (c) No.
- (d) Yes. Approximately \$180 million in planned FY99 commitments were pushed forward to FY00.

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OCA/USPS-T9-29. continued

- (e) Through the March Board of Governors meeting, the following projects have been approved by the Board:

PROJECT	AMOUNT
Mailing Online	\$ 18.6 M
Singulate Scan Induction Units	\$ 102.3 M
St. Paul MN Twin Cities AMC	\$ 63.7 M
R&DF – Postalone! BCSS	\$ 10.1 M
Ansonia Modification	\$ 11.9 M
New York Midtown Station	\$ 27.6 M

- (f) Through Accounting Period 6, \$543 million in capital commitments have been recorded. The details requested are currently being compiled and will be provided shortly.

DECLARATION

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

William P. Tayman

Dated: 3-16-2000

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

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