

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

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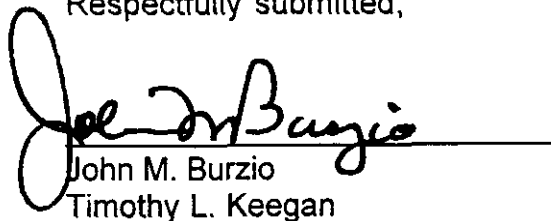
POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-  
POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

INTERROGATORIES OF TIME WARNER INC.  
TO UNITED STATES POSTAL SERVICE WITNESS  
KINGSLEY (TW/USPS-T10-5-11)  
(March 22, 2000)

Pursuant to sections 25 and 26 of the Rules of Practice, Time Warner Inc. (Time Warner) directs the following interrogatories to United States Postal Service witness Kingsley (USPS-T-10). If witness Kingsley is unable to respond to any interrogatory, we request that a response be provided by an appropriate person capable of providing an answer.

Respectfully submitted,



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Timothy L. Keegan

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**SECOND INTERROGATORIES OF TIME WARNER INC. TO  
WITNESS KINGSLEY (USPS-T-10)**

TW/USPS-T10-5 In your answer to DMA/USPS-10-55 you state, in reference to the economics of SPBS feed systems:

“For every hour spent manually dumping sacks into the SPBS, it was estimated that the feed system would generate approximately 143 hours of annual savings. For every hour spent dumping non-sacks into the SPBS, it was estimated that the feed system would generate approximately 572 hours of annual savings.”

Please explain what this means. In particular:

- a. Does the one hour of sack dumping required to produce 143 hours of annual savings refer to one manhour per day? If yes, how many workdays does that assume? If no, precisely what does the one hour used to produce 143 hours of savings mean?
- b. Are these savings estimates relative to SPBS sorting of sacked and other bundles with manual induction? If not, what are the savings relative to?
- c. Confirm that sacked bundles must be dumped manually from the sacks in order to be sorted on an SPBS whether or not the SPBS has a “feed system.” If not confirmed, what other method(s) is (are) used to induct sacked bundles to SPBS machines?
- d. Given that sacked bundles are dumped from the sacks manually whether or not an SPBS has a “feed system,” how can the feed system produce any savings for sacked mail? Please describe all features of the “feed systems” that make the manual dumping of sacks more efficient so as to produce 143 annual hours of savings for every hour spent manually dumping sacks.
- e. Do the 572 annual hours savings refer to mail on pallets as well as in hampers, postal paks and other containers? If not, what do they refer to?
- f. Are the 572 hours of annual savings estimated relative to a completely manual induction of palletized and containerized bundles to the SPBS keying stations? If not, what are the annual savings relative to?

TW/USPS-T10-6 Please refer again to your answer to DMA/USPS-10-55 and explain how the savings estimates for "feed systems" with sacked and other bundles were determined. In particular:

- a. Do the estimates you give represent averages of estimates obtained from different sites? Or do they reflect a single set of calculations? Please explain.
- b. Please provide and explain all productivity rates, conversion factors, mail flow data and other assumptions used in deriving the estimates that one hour of respectively sacked and non-sacked dumping would produce 123 and 572 hours of annual savings.
- c. Was the possibility of increased bundle breakage caused by "feed systems" included in the analysis that led to these savings estimates? If yes, how was it included?
- d. What instructions were given to the different SPBS sites in order for them to calculate whether or not they had economic justification for installation of a "feed system?" If written instructions were issued, please provide a copy.
- e. Please provide one or more typical examples of calculations leading to the conclusion that a given facility could economically justify installation of an SPBS feed system. The identities of the specific facilities may be redacted.
- f. Please provide one or more typical examples of calculations leading to the conclusion that a given facility could not economically justify installation of an SPBS feed system. The identities of the specific facilities may be redacted.

TW/USPS-T10-7 Please answer the questions below in two ways: assuming an SPBS with (1) four keying stations, and (2) six keying stations. Please include references to productivity rates, conversion factors, etc. that a facility would consider in analyzing questions of this type.

- a. If the SPBS uses manual feed and is being loaded with Periodicals or Standard A bundles from pallets, how many employees would be needed to load the machine fast enough to keep the keyers fully occupied?
- b. If the SPBS uses manual feed and is being loaded with Periodicals or Standard A bundles from sacks, how many employees are needed to load the machine fast enough to keep the keyers fully occupied?

- c. If the SPBS uses a fully mechanized feed system and is being loaded with Periodicals or Standard A bundles from pallets, how many employees are needed to load the machine fast enough to keep the keyers fully occupied?
- d. If the SPBS uses a fully mechanized feed system and is being loaded with Periodicals or Standard A bundles from sacks, how many employees are needed to load the machine fast enough to keep the keyers fully occupied?
- e. How many employees are needed on the sweep side of the SPBS, assuming all keying stations are used continuously?
- f. What are typically the crafts and pay levels for employees at an SPBS performing respectively (1) dumping and feeding the belts, (2) manning the keying stations, and (3) sweeping?

TW/USPS-T10-8 Please explain what happens when a bundle weighing more than 20 pounds is entered at an SPBS.

TW/USPS-T10-9 Please describe all activities that are needed to set up an SPBS for a given sort scheme, using all 100 separations, if the SPBS just prior to that has been used for a different scheme. If possible, please indicate the approximate time normally taken by such scheme changes. Describe and provide copies of any studies that address SPBS setup times.

TW/USPS-T10-10 Roughly what is the daily volume of sacked or palletized bundles, requiring a given sort scheme, e.g., outgoing primary, that a given facility would need before it becomes economical to set up a separate SPBS sort scheme for such mail, rather than sorting the volume at a manual opening unit?

TW/USPS-T10-11 Please define the terms "postal pak" and "gaylord" as used in the Postal Service today, including differences between the types of containers each term describes. Please also describe the current uses of each container type, by the Postal Service and by different types of mailers. In particular, please answer the following:

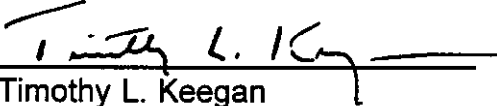
- a. When a mailer prepared gaylord/postal pak containing for example presorted parcels has been emptied of its contents at the destinating facility, what is the further disposition of the gaylord/ postal pak? Will it be: (1) returned to the mailer or another mailer with the surrounding cardboard still on it; (2) returned as an empty pallet to the mailer or another mailer; (3) reused in postal operations to transport mail; (4) destroyed; or (5) other

disposition? If more than one answer applies, please indicate roughly how often each would apply.

- b. In which types of facilities and between which types of facilities are the Postal Service's own postal paks used to transport mail?
- c. What is the minimum and maximum height of the surrounding cardboard on a USPS postal pak/gaylord?
- d. What is the minimum and maximum thickness of the surrounding cardboard on a USPS postal pak/gaylord?
- e. What is the replacement cost of the surrounding cardboard on a USPS postal pak/gaylord?
- f. On the average, how many times is a USPS postal pak/gaylord reused before the cardboard is replaced?
- g. Assume that a USPS prepared postal pak/gaylord arrives at a delivery unit and that there is no mail to put in it for the return trip. What would be the disposition of the postal pak/gaylord in that case?
- h. Assume that a postal pak/gaylord arrives at a destinating facility which has no equipment for dumping of such large containers. Is it reasonable to assume that the surrounding cardboard in that case would be removed or destroyed in order to gain access to the mail inside? If not, please explain.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with sections 12, 25(a), and 26(a) of the Rules of Practice.

  
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Timothy L. Keegan

March 22, 2000