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

POSTAL RATE AND FEE CHANGES **Docket No. R2000-1**

KeySpan Energy's
Fifth Set Of Interrogatories And Document Production Requests
To USPS Witness Chris F. Campbell

Pursuant to Rules 25, 26, and 27 of the Commission's Rules of Practice, KeySpan Energy submits the following interrogatories and document production requests to United States Postal Service witness Chris F. Campbell: **KE/USPS-T29-50-52.** If the designated witness is unable to answer any of these questions, please direct them to the appropriate witness who can provide a complete response.

Respectfully submitted,

KeySpan Energy

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Dated: Round Hill, VA
March 23, 2000

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To USPS Witness Chris F. Campbell

KE/USPS-T29-50 In Library Reference LR-I-162a, Schedule L, p. 12 you list the productivities of various postal operations.

(a) Please confirm that the outgoing ISS operation consists of a retrofitted MLOCR that reads an address, sprays on a barcode and sorts the mail. If you cannot confirm, please explain.

(b) Please confirm that the outgoing OSS operation consists of a retrofitted MPBCS or DBCS that sorts the mail that has already been barcoded. If you cannot confirm, please explain.

(c) Please confirm that the outgoing BCS primary operation consists of either an MPBCS or DBCS that sorts the mail that has already been barcoded. If you cannot confirm, please explain.

(d) Please confirm that the incoming BCS MMP primary operation consists of either an MPBCS or DBCS that sorts the mail that has already been barcoded. If you cannot confirm, please explain.

(e) Please confirm that the incoming BCS SCF primary operation consists of either an MPBCS or DBCS that sorts the mail that has already been barcoded. If you cannot confirm, please explain.

(f) Please explain why the outgoing ISS MODS productivity of 6,847 pieces per hour (PPH) is higher than the productivities for the Outgoing BCS primary (5,729 PPH), incoming BCS MMP primary (5,565 PPH) and the incoming BCS SCF primary (5,896 PPH) operations?

(g) Please explain why the outgoing OSS MODS productivity of 8,976 PPH is higher than the productivities for the Outgoing BCS primary (5,729 PPH), incoming BCS MMP primary (5,565 PPH) and the incoming BCS SCF primary (5,896 PPH) operations?

KE/USPS-T29-51 Please refer to you response to KeySpan Energy's Interrogatory KE/USPS-T29-20 where you confirmed that one office, which had almost 10,000 individual advance deposit BRM accounts, accounted for 28.6% of the workhours used in deriving the 951 PPH productivity for counting and distributing BRM from data collected in 1989.

(a) Please confirm that you have adopted this 951 PPH productivity in your cost study to derive the unit cost of counting and distributing QBRM received in high volumes, as shown in LR-I-162, Schedule B, page 2. If you cannot confirm, please explain.

(b) Please confirm that you have adopted this productivity in your cost study to derive the unit cost of counting and distributing QBRM received in low volumes, as shown in LR-I-162, Schedule B, page 3. If you cannot confirm, please explain.

(c) Please confirm that the study conducted in 1989 included only those offices in which BRMAS software was up and running, and that "[a] substantial proportion of the BRMAS qualified pieces which are currently processed through the mechanized/manual process is composed of rejects from BRMAS." *See* Docket No. R90-1, USPS-T-23, p. 6.

(d) Please confirm that Site 10, the office that contributed 2,217.9 or 28.6% of the study's workhours distributing 1,301,712 letters to 9,960 accounts, was Denver, CO. If you cannot confirm, please explain and identify the postal facility in question.

(e) Please describe specifically the sorting and counting operations at Site 10 during the 1989 study period as they related to the processing of BRM reply mail pieces, and contrast those operations with the sorting and counting operations in effect today at Site 10. In your answer, please include a description of the number and type(s) of equipment available to sort and count BRM letters, then and now, as well as the portion of BRM now received that consists of QBRM.

(f) Please confirm that if Site 10 were removed from the analysis, the derived productivity would have been 1,097 PPH, 15% higher than the productivity of 951 PPH. If you cannot confirm, please provide the derived PPH if Site 10 had been removed from the analysis.

(g) Please confirm that if you had used a PPH of 1,097 in your cost analysis (instead of the 951 PPH you did use), the unit cost for processing QBRM received in high volumes would be reduced from 2.0 cents to 1.61 cents. If you cannot confirm, how would substitution of a 1,097 PPH productivity factor change your derived 2.0 cent unit cost to sort and count QBRM received in high volumes?

(h) Does Site 10 currently sort QBRM letters by automation to almost 10,000 accounts?

(i) Are there any other sites in the country that are set up similarly to Site 10, with so many separate accounts in one office? If your answer is yes, please identify such postal facilities and, for each site, provide a list showing the number of accounts, the average annual volume per account, the method (s) used to sort QBRM to the final recipient, the method(s) used to count QBRM volumes, and a statement concerning whether the methods used for sorting and counting QBRM are different for high volume and low volume recipients and whether such methods have changed since 1989.

(j) If your answer to part (i) is no, please explain how (1) the operations of Site 10 can be representative of manual operations in other offices as you inherently assume, and (2) how your field observations confirmed that those manual operations have not changed since 1989.

KE/USPS-T29-52 Please refer to LR-I-160L where you compute the unit QBRM savings.

(a) Do mailers of QBRM reply envelopes have reason to go to a post office window to buy postage to send out their QBRM? If yes, please explain.

(b) Do mailers of reply envelopes with handwritten addresses have reason to go to a post office window to buy postage to send out their reply envelopes? If not, please explain.

(c) Did you include window service cost savings in your analysis of QBRM cost savings? If yes, please explain how such savings are factored into your analysis.

(d) Please confirm that USPS witness Daniel estimates that in the test year, an average First-Class single piece letter incurs window service costs of 1.6 cents. *See* LR-I-191B (revised), spreadsheet SP letters combined, where the total cost of $755,467,000 is incurred by 47,984,446,747 letters. If you cannot confirm, what is the average window service cost incurred by a First-Class single piece letter in the test year?

(e) What is the total cost to print and distribute First-Class stamps for the test year?

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing discovery request upon the United States Postal Service, Ted P. Gerarden, the Designated Officer of the Commission, and participants who requested service of all discovery documents, in compliance with Rules 12, 26, and 27 of the Commission's Rules of Practice.

Dated this 23rd day of March 2000.

Michael W. Hall /PS

Michael W. Hall