

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

**INTERROGATORIES OF
THE DIRECT MARKETING ASSOCIATION, INC.
TO USPS WITNESS TAYMAN**

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached interrogatories to USPS witness Tayman: DMA/USPS-T9, Nos. 51-58. If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,

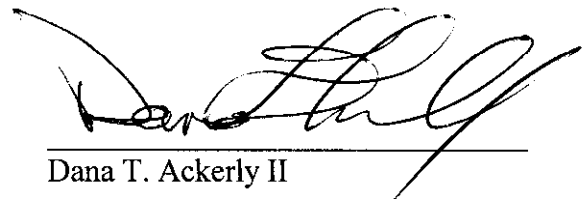


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CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Commission's Rules of Practice.



Dana T. Ackerly II

Dated: March 23, 2000

DMA/USPS-T9-51. Please refer to the "Cost Reductions" (Exhibit E) worksheet in LR-I-126 PRG_ANAL-revised.xls, at column F, line 81, which shows a summary of test year after rates cost reduction program changes from workhours (measured in thousands of hours) for the Flat Mail OCR (EC -06) Program for Segment 3, Clerks hours.

- a. Please confirm that the value of 2,715 thousand hours is derived from a revised page 6 from the "Notice of United States Postal Service of Errata to Library References I-126 and I-127", filed on February 18, 2000, where it states in the paragraph entitled, **ADVANCED FLAT SORTING MACHINE (AFSM)**: "Savings for FY 2001 were estimated to decrease 2,715,000 hours for clerks (173 machines x 15,693.6 hours per machine)...."
- b. If not confirmed, please provide the source for the value in LR-I-126 PRG_ANAL-revised.xls, at column F, line 81.
- c. For this AFSM purchase, please provide the original number of clerk workhours that were required to process the same amount of mail in a year that a single machine will process. Please also provide the number of workhours that will be required to process this amount of mail once the machine is installed. The savings you cite should be the difference between these numbers.
- d. Please provide the information in c, above for the other two AFSM purchases.

DMA/USPS-T9-52. Please refer to the "Cost Reductions" (Exhibit E) worksheet in LR-I-126 PRG_ANAL-revised.xls, at column F, line 43, which shows a summary of FY 2000 cost reduction program changes from prior year workhours (measured in thousands of hours) for the Flat Mail OCR (EC -06) Program for Segment 3, Clerks hours. Please provide the source for the value of 1,467 thousand hours in LR-I-126 PRG_ANAL-revised.xls, at column F, line 43.

DMA/USPS-T9-53. Please refer to the "Cost Reductions" (Exhibit E) worksheet in LR-I-126 PRG_ANAL-revised.xls, at column G, line 81, which contains the following formula: "= F81 / 'C:\ My Documents\ Excel\ R2000-1\ Program LR\ [lr126_e.xls]Data'!\$E\$10*1000".

- a. Please confirm that this formula references a file found locally on a computer to which interveners do not have access.
- b. If confirmed, please provide this file.
- c. If not confirmed, please provide a citation to the file that the formula references.

- d. Please also confirm that the value contained within C:\My Documents\Excel\R2000-1\Program LR\lri126_e.xls>Data'!\$E\$10 is approximately equal to 1,789.

DMA/USPS-T9-54. Please refer to the "Cost Reductions" (Exhibit E) worksheet in LR-I-126 PRG_ANAL-revised.xls, at column H, line 81, which contains the following formula: "= G81 * 'C:\ My Documents\ Excel\ R2000-1\ Program LR\ [lri126_e.xls]Data'!\$D\$5/1000".

- a. Please confirm that this formula references a file found locally on a computer to which interveners do not have access.
- b. If confirmed, please provide this file.
- c. If not confirmed, please provide a citation to the file that the formula references.
- d. Please also confirm that the value contained within C:\My Documents\Excel\R2000-1\Program LR\lri126_e.xls>Data'!\$D\$5 is approximately equal to 50,125.

DMA/USPS-T9-55. Please refer to Docket No. R2000-1 USPS Library Reference I-126 "Explanation of Cost Reductions and Other Programs", page 6, the paragraph entitled, **ADVANCED FLAT SORTING MACHINE (AFSM)**. Please refer to the following statement contained within the aforementioned paragraph: "Savings for FY 2000 were estimated to decrease 129,000 hours for clerks (1,086 machines x 118.8 hours per machine) and cost was estimated to increase by 51,000 hours for maintenance (1,086 machines x 50 hours)." Since $1,086 \times 50 = 54,300$, please reconcile the difference between 51,000 and 54,300.

DMA/USPS-T9-56. Please refer to LR-I-126, page 10 where you discuss Linerless Label Applicators for the Letter Mail Labeling Machine.

- a. Please confirm that this program will result in savings for FY 1999 of 2,000 hours for clerks and in FY 2000 savings of 200 hours for clerks. If you do not confirm, please explain why.
- b. Please also confirm that this machine will increase hours for maintenance by 47,000 hours in FY 1999. If you do not confirm, please explain why.
- c. Please also confirm that you describe this programs as "cost effective".
- d. If you confirmed the three previous statements, please explain how this machine is "cost-effective."

DMA/USPS-T9-57. Page 23 of LR-I-126 states that air taxi costs for FY 2000 will increase by \$12,600 million in supplies and service accounts. Exhibit B of your spreadsheet shows \$12.6 million for this increase. Please reconcile these two estimates.

DMA/USPS-T9-58. Please confirm that 475 L'Enfant Plaza, SW has a current assessed value of \$76,779,000. If you do not confirm, please supply the correct value.