

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

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS TAYMAN TO INTERROGATORIES OF
MAGAZINE PUBLISHERS OF AMERICA
(MPA/USPS-T9-4-9)

The United States Postal Service hereby provides the responses of witness Tayman to the following interrogatories of Magazine Publishers of America: MPA/USPS-T9-4-9, filed on March 23, 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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April 5, 2000

**RESPONSE OF WITNESS TAYMAN TO INTERROGATORIES OF
MAGAZINE PUBLISHERS OF AMERICA. INC.**

MPA/USPS-T9-4. Please state whether the United States Postal Service, in any rate case, has ever proposed different levels of contingency allowance for different classes or subclasses of mail.

RESPONSE: The Postal Service has never proposed different contingency levels for different classes of mail.

**RESPONSE OF WITNESS TAYMAN TO INTERROGATORIES OF
MAGAZINE PUBLISHERS OF AMERICA. INC.**

MPA/USPS-T9-5. Please identify any authority (whether relied upon by you or not) of which the United States Postal Service is aware that supports the concept that the contingency should be the same for all classes and subclasses of mail.

RESPONSE: It is my understanding that the Postal Rate Commission has endorsed applying the contingency equally to all attributable and institutional costs in each omnibus rate case -- Docket Nos. R71-1, R74-1, R76-1, R77-1, R80-1, R84-1, R87-1, R90-1, R94-1 and R97-1. This treatment is reflected in the Opinion and Recommended Decisions in these dockets.

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MAGAZINE PUBLISHERS OF AMERICA. INC.**

MPA/USPS-T9-6. Please identify any authority (whether relied upon by you or not) of which the United States Postal Service is aware that supports the concept that the contingency need not be the same for all classes and subclasses of mail.

RESPONSE: I am unaware of any such authority.

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MAGAZINE PUBLISHERS OF AMERICA. INC.**

MPA/USPS-T9-7. Please refer to the article entitled *Postal Service to Cut Work Force*, which appeared in the March 21, 2000 edition of the *Washington Post*, and which is attached hereto as Exhibit A. Please refer in particular to the fourth paragraph of the article, which states:

On an annual basis for the next four years, Henderson said, the Postal Service would save \$100 million on overhead, \$100 million from more efficient paperwork and purchasing procedures, \$100 million in transportation and \$700 million in "break-through productivity" changes aimed at reducing costs in a variety of areas, including automation, staffing, scheduling and business procedures.

- (a) Please state whether these savings, publicly identified by the Postmaster General, are reflected in cost reduction and other programs.
- (b) If the answer to (a) is affirmative, please state where these savings are reflected, and provide references.
- (c) If the answer to (a) is negative, please explain why.

RESPONSE:

See the response to OCA/USPS-99.

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MAGAZINE PUBLISHERS OF AMERICA. INC.**

MPA/USPS-T9-8. Please provide any analysis or studies supporting the application of contingency equally across product lines.

RESPONSE: I am unaware of any such studies or analysis.

**RESPONSE OF WITNESS TAYMAN TO INTERROGATORIES OF
MAGAZINE PUBLISHERS OF AMERICA. INC.**

MPA/USPS-T9-9. Please state whether, when budgeting for new construction, the United States Postal Service uses the same contingency for each project.

RESPONSE:

Please see the response to OCA/USPS-89.

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: 4/5/00

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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