

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
THE ALLIANCE OF NONPROFIT MAILERS
(ANM/USPS-T9-70-74)

The United States Postal Service hereby provides the responses of witness Tayman to the following interrogatories of the Alliance of Nonprofit Mailers: ANM/USPS-T9-70-74, filed on March 23, 2000.

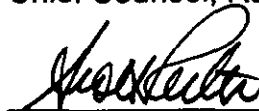
Each interrogatory is stated verbatim and is followed by the response.

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
ALLIANCE OF NONPROFIT MAILERS**

ANM/USPS-T9-70. Please refer to your answer to ANM/USPS-T9-9. Your answer alludes to the creation of a "new forecasting organization within [the Postal Service's] Finance function in Fiscal Year 1999," but fails to identify any "standards" or "policies" responsive to the question. Please identify every change in standards or policies adopted by the Postal Service since July 1, 1998, to increase the accuracy and reliability of its test.

RESPONSE: The standards and policies referred to in my previous response are "enhancing the accuracy and reliability of the forecasting process."

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ANM/USPS-T9-71. Please refer to ANMIUSPS-TS-7(f) and its follow-up, ANM/USPS-T9-34. These questions sought, among other things, any studies, analyses, and other documents that support the asset lives assumed in the Postal Service's cost studies. In response to ANMIUSPS-T9-39, you state:

It is my understanding that service life estimates are developed at the time of the initial equipment buy in conjunction with the criteria defined in my response to ANMIUSPS-T9-7(f). A review of the response to ANMIUSPS-T9-33 which provides a listing of certain assets and their services lives and salvage values should be sufficient for a third party to assess the reasonableness of established asset lives.

- (a) When "service life estimates are developed at the time of the initial equipment buy," are any documents generated that reveal the analysis or assumptions underlying those estimates? If so, please produce them.
- (b) Please confirm that the only information produced in "response to ANM/USPS-T9-33" is Library Reference LR-I-224, Personal Property and Motor Vehicle Asset Life Listing.
- (c) Please confirm that LR-I-224 does not reveal the lives, survivor curves or retirement history actually experienced by the Postal Service for any asset or group of assets.
- (d) Please provide the survivor curve actually experienced by the Postal Service for each line entry in LR-I-224.

RESPONSE:

- (a) I am unaware of any information beyond that which has already been provided.
- (b) Confirmed.
- (c) Confirmed.
- (d) The Postal Service does not utilize a "survivor curve" in the determination of asset lives and depreciation expense.

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ANM/USPS-T9-72. Please refer to ANM/USPS-T9-36, which asked you to produce the documents requested to ANM/USPS-T9-9, or verify that no responsive documents exist. In response to ANM/USPS-T9-36, you state that "I am unaware that any such documents exist." Please confirm that a search was made for such documents among the personnel and departments most likely to possess them if they exist.

RESPONSE:

Confirmed.

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ANM/USPS-T9-73. Please refer to ANMIUSPS-T9-44(d). Your answer is "I am unaware of any studies or analyses related to limiting the size of the mail processing work force." Please confirm that a search was made for such documents among the personnel and departments most likely to possess them if they exist.

RESPONSE:

Confirmed.

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ANM/USPS-T9-74. Please refer to ANM/USPS-T10-28. Your answer is "I am unaware of any studies." Please confirm that a search was made for such studies among the personnel and departments most likely to possess them if they exist.

RESPONSE:

Confirmed.

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.

A handwritten signature in black ink, appearing to read "Scott L. Reiter", written over a horizontal line.

Scott L. Reiter

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