

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

MOTION OF THE UNITED STATES POSTAL SERVICE
FOR LATE ACCEPTANCE OF RESPONSE TO
INTERROGATORIES KE/USPS-T29-3(b) AND (c)
(April 10, 2000)

The United States Postal Service hereby moves that it be permitted to file forty-six days late its response to the following interrogatories of KeySpan Energy: KE/USPS-T29-3(b) and (c). The interrogatories were filed on February 10, 2000; the responses were due to have been filed on February 24, 2000. The delay in the preparation of the responses is attributable to two factors: the degree of effort taken to locate responsive information (or confirm the absence thereof) and the press of other discovery obligations which prevented a more timely completion of those tasks. The Postal Service apologizes for the delay but believes that it has resulted in no prejudice to any party.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



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April 10, 2000

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF KEYSpan

USPS-T29-3

On page 10 of your prepared testimony, you state "Rating and billing functions are typically performed manually or through the PERMIT system or other software."

- (a) Please fully describe the "PERMIT system" and "other software" that is used for the rating and billing functions.
- (b) What factors determine whether the rating and billing function is performed manually or through the PERMIT system or other software? Of these factors, what is most important?
- (c) What is the start-up cost for implementing the PERMIT system or other software at a Postal facility?

RESPONSE:

- (a) [Response by witness Campbell filed on February 28, 2000.]
- (b) The overall volume of QBRM received at a particular site usually influences whether that site uses PERMIT, BRMAS or other software, weight averaging, or other methods of rating and billing more efficient than manual piece counts. Although one might intuitively assume that the higher the site's QBRM volumes, the more likely it is to use the most efficient QBRM rating and billing methods, that is not always the case. There are numerous sites which receive relatively high QBRM volumes, but which do not have postage due operations which are part of the PERMIT system and do not use BRMAS or other software. As a consequence, the sites rely on manual piece counts.

There is a continuing increase in the number of sites using PERMIT, but the use of BRMAS has never approached the levels forecasted when it was developed.

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF KEYSpan

Response to KE/USPS-T29-3 continued


There apparently have been a number of contributory factors. See Docket No. R97-1, Tr. 19/8941-49. BRMAS (and site-specific local variations of it) continue to be used at facilities where overall QBRM volumes tends to be high enough for that site to justify its use, where commitment to maintaining the necessary software remains high and where other competing mail processing sort plans do not inhibit its use.

- (c) Start-up costs for PERMIT vary depending on the communication set-up for a particular site. If the connection is via dial-up modem, the hardware costs approximately \$1300, plus the cost of any cabling. Long-distance telephone costs are approximately 5 cents per minute. If the site is network capable, the initial cost is around \$1500, plus cabling. At these sites, the terminal server that allows the terminal to communicate via the network is more expensive than the modem; however, there is no per-minute telephone charge.

The Postal Service has no information which would permit the development of an estimate of what it would cost to start-up BRMAS at a given site today. A lot of the costs would tend to be site-specific and depend on overall local QBRM volume, the number of accounts and the number of separations necessary.

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 "Michael T. Tidwell", written over a horizontal line.

Michael T. Tidwell

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