

Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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Postal Rate and Fee Changes

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Docket No. R2000-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE  
WITNESS SMITH TO POSTCOM INTERROGATORIES  
(POSTCOM/USPS-T21-3)

The United States Postal Service hereby provides the responses of witness Smith to the following interrogatories of the Association for Postal Commerce: POSTCOM/USPS-T21-3, filed on March 30, 2000.

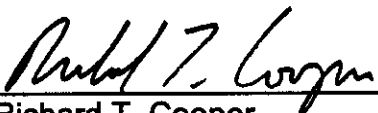
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
Richard T. Cooper

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Washington, D.C. 20260-1137  
April 14, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SMITH  
TO INTERROGATORIES OF ASSOCIATION FOR POSTAL COMMERCE**

**PostCom/USPS-T-21-3.** In your response to ANM/USPS-T-21-11, you rely on USPS-LR-G-120 of Docket No. R94-1 as support for adding 34.66 % additional space to the "4,537,035 square feet of total WSU for Test Year FSM equipment."

(a) Please disclose your understanding of how the "apportionment or share of the space for these support purposes" was calculated in USPS-LR-G-120 and your understanding of the rationale for that distribution.

(b) Are you clear that the USPS-LR-G-120 calculation does not include the "15 percent additional space for staging of mail" to which your answer refers?

(i) If so, explain the basis for this conclusion.

(ii) If not, explain why the inclusion of the 15 percent factor is appropriate.

(c) You say that the number "6,126,832 shown at page I-14, line 18, column 1" is "virtually the same" as the number derived by multiplying 1.3466 by 4,557,035. If your answer to the ANM interrogatory accurately describes your analysis, why are the numbers not identical?

**Response:**

- a. A description of how the apportionment of support space was made to operational space and the rationale for doing so is described in pages III-18 and III-19 of USPS-LR-G-120. As I noted in my response to ANM, for each operation on the workroom floor there is much additional support space needed for operational space. Space is needed for aisle space, main corridors, empty equipment storage, stairwells, elevators, custodial, heating and building maintenance. The required amount of such space is a function of the amount of operational space. The more operational

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space a facility has, the greater amount of supporting aisle, stairwells, elevators, space for empty equipment storage, heating, custodial and building maintenance space. As a result, such support space is considered to be indirectly related to operational activities and is volume variable and distributed in the same way as the operational space it supports. This support space is therefore apportioned to operational space in proportion to the relative size of the operational space. In other words, if FSMs use one-tenth of operational space, then one-tenth of support space is included in the FSM space.

The FY92 survey of facility space showed that the space for support purposes accounts for a significant share of space. The survey showed that of the total 217.0 million square feet of interior space (at "mailhandling" facilities) there is:

- 9.5 million sq. ft. workroom corridors, stairwells, elevators
- 10.7 million sq. ft. workroom storage, including staging empty equipment
- 21.9 million sq. ft. for general space for custodial, building maintenance, corridors, stairwells, elevators, HVAC and electrical power and other.<sup>1</sup>

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<sup>1</sup> Other support space for employee facilities (cafeteria, locker rooms, restrooms, etc.), office space, and equipment maintenance are separate space categories as shown in my Attachment 8, lines 45 to 48.

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The 9.5 million sq. ft. of workroom corridor, stairwells and elevators is apportioned to all workroom operations including lobby, processing and delivery (as indicated in item no. 2 of page III-19). The 10.7 million workroom storage (including empty equipment staging) is apportioned to all processing and delivery operations (as indicated in item no. 3 of page III-19). Finally, the 21.9 million sq. ft. in general building space is apportioned to all operations and functions including lobby, processing, delivery, employee facilities, office and equipment maintenance (as indicated in item no. 4 of page III-19). The result of this apportionment for FSM space, as described in my ANM response, was as follows. In FY 1992 we found that the FSMs occupied 2,326,750 square feet (see Docket No. R94-1, USPS-LR-G-120, Schedule 4, Page 1). The space for FSMs was adjusted to include an apportionment or share of the space for these support purposes, discussed above, leading to total FSM space of 3,133,107 square feet (see Docket No. R94-1, USPS-LR-G-120, Schedule 5, Page 1). Thus, the inclusion of the support space adds 34.66 percent additional space.

- b. The space for staging mail for the FSMs would likely have been included in the 2,326,750 square feet directly measured as FSM space. Instructions to the surveyors were to include the space for staging mail for an operation (if it could be identified as such) as part of that operation

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(see page C-39 of USPS-LR-G-120). In addition, the measured space of 2,326,750 is an average of 2,883 sq. ft. per FSM 881 (for 807 FSM 881s deployed at that time). This is nearly identical to FSM 881 "Work Space Units" (WSU) of 2875 sq. ft. – which includes the 15 percent staging allocation described in the Witness Kingsley's response to NNA/USPS-T10-13. Thus the support space, which is apportioned in USPS-LR-G-120, would generally not have included the "15 percent space for staging of mail."

- c. The difference is due to the small difference between the surveyed space per machine of 2,883 sq. ft. and the total WSU of 2,875 sq. ft. per machine.

DECLARATION

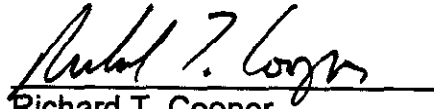
I, Marc A. Smith, hereby declare, under penalty of perjury, that the foregoing Docket No. R2000-1 interrogatory responses are true to the best of my knowledge, information, and belief.

  
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Marc A. Smith

4/14/2000  
Date

**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.

  
Richard T. Cooper

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