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

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF  
MAGAZINE PUBLISHERS OF AMERICA  
(MPA/USPS-65)

The United States Postal Service hereby provides its response to the following interrogatory of Magazine Publishers of America: MPA/USPS-65, filed on May 12, 2000.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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May 19, 2000

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THE MAGAZINE PUBLISHERS OF AMERICA

MPA/USPS-65. Please refer to USPS-LR-I-80, Cs06&7.xls, worksheet "7.0.4.1." In particular, please refer to cell L27, which has a value of \$1,287,203,000.

- a. Please confirm that this \$1.287 billion equals total accrued street support costs derived from the street time sampling (STS) percentages in cells d19 through k19 of worksheet 7.0.4.1.
- b. Please explain the specific carrier activities to which these \$1.287 billion in STS-based street support costs apply.
- c. Please confirm that Cs06&7.xls burdens the \$1.287 billion STS-based street support cost on both City Carriers Street costs and on City Carrier Office costs.
- d. Please confirm that the STS street support activities support City Carriers Street activities only, not City Carriers Office activities.
- e. Please provide a revised version of USPS-LR-I-80, Cs06&7.xls that distributes the STS-based street support accrued costs to mail subclasses based solely on the distribution of City Carriers Street costs.

**RESPONSE:**

- a. Confirmed.
- b. The specific carrier street activities that are considered to be "street support" activities are as follows:
  1. Obtaining the vehicle and putting gas into the vehicle;
  2. Traveling to and from the route and the carrier station;
  3. Waiting while a disabled vehicle is being repaired or is towed away and replaced;
  4. Break time (other than lunchtime) taken while on the street;
  5. Loading mail into the vehicle and unloading mail from the vehicle while the vehicle is at the carrier station;
  6. Preparing mail at the vehicle while it is on the route;
  7. Preparing mail at relay boxes, unloading mail from relay boxes, and waiting at relay boxes for the relay mail to arrive.

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- c. Confirmed
- d. Partially confirmed. There are two types of street support time. The first is time spent on activities that are fixed properties of the route. These activities include clocking in and out, training, and the street activities listed in parts 1-4 of the response to question (b) above. This "fixed" street support time is constant in the sense that it varies only with the number of routes in the city carrier delivery system as a whole.

The second type of street support time is time spent on street activities, such as preparing mail at the vehicle, that are variable properties of the route. Parts 5-7 of the response list these variable activities. The time spent on these street-support activities is variable in the sense that it does vary with volume delivered on the route.

The first type of street support time, which is fixed on a route, supports all route activities, both street and office, and it varies in response to volume only to the extent that changes in volume change the number of routes in the system. The second type of street support time, which does vary with volume on the route, is generated by activities that occur solely on the street. So this second type of street support time varies in response to volume in the same manner as does the time spent on the other street activities – driving time, route/access FAT, route/access CAT, load time, and collection. In this sense, this second type of driving time does, indeed, support street activities only.

- e. For purposes of responding to this question, it is assumed that you are requesting a version of Cs06&7.xls that is consistent with the response to part (d). Therefore, a new version of Cs06&7.xls has been prepared that differs from the version of USPS-

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LR-I-80 in the following manner. The LR-I-80 version applies to aggregate accrued street support cost a single volume-variability and a single distribution key that equal the composite variability and composite distribution key, respectively, that are defined for all other segment 6 plus segment 7 costs combined. In contrast, the revised Cs06&7.xls splits total accrued street support costs into two sets. The first set is the cost of street support time that is fixed on the route. The second set is the cost of street time support time that varies with volume on the route.

The volume variability and the distribution key applied to the first set of costs are the composite segment 6-7 variability and the corresponding composite distribution key, respectively. The volume-variability and distribution key applied to the second set of costs are derived, instead, from just the aggregate of driving time, route/access CAT, route/access FAT, load, and collection time cost.

The alternative version of Cs06&7.xls will be submitted as USPS LR-I-381.

## 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 "Susan M. Duchek", written over a horizontal line.

Susan M. Duchek

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