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

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POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE TO INTERROGATORIES OF UNITED PARCEL SERVICE REDIRECTED FROM WITNESS PATELUNAS (UPS/USPS-T15-5-7 & 9)

The United States Postal Service hereby provides responses to the following interrogatories of United Parcel Service: UPS/USPS-T15-5-7 & 9, filed on July 29,

1997, and redirected from witness Patelunas.

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

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2999; Fax –5402 August 12, 1997

UPS/USPS-T15-5. Has the use of postal packs affected the costs associated with moving empty equipment?

RESPONSE:

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Yes.

UPS/USPS-T15-6. Are postal packs used uniquely for parcel shaped mail? Please explain.

RESPONSE:

No. Postal packs are also used for trays and sacks.

UPS/USPS-T15-7. Please explain the operation of the Integrated Mail Handling System and why it is expected to result in cost savings. Discuss what types of operations, equipment, mail classes or subclasses, mail shapes, and facilities with which Integrated Mail Handling System is associated.

RESPONSE:

The Integrated Mail Handling System (IMHS) is a mail handling program designed to improve the overall mail handling functions within the Postal Service. Heavy emphasis is placed on the physical system elements of truck loading and unloading systems and dock transfer systems. Accordingly, the overall system concept is supported by requirements in customer mail preparation. Cost savings are expected from IMHS as a result of increased containerized loads. IMHS consists primarily of mechanized pallet loaders and unloaders, transport equipment, and other equipment (e.g., forklifts) applicable to the movement of pallets and containerized loads. Various components of IMHS are utilized in the all of the BMCs and all of the plants, but the primary IMHS deployments and upgrades have been in the BMCs. All shapes of mail primarily within the Standard and Periodicals classes are affected by IMHS.

UPS/USPS-T15-9. (a) Within the last three (3) years, has the Postal Service purchased any vehicles designed to be used for the purpose of delivering parcels? If so, please indicate the number and the cost of the vehicles purchased.

(b) Within the current fiscal year ending September 30, 1997, has the Postal Service purchased or does the Postal Service have plans to purchase any vehicles designed to be used for the purpose of delivering parcels? If so, please indicate the number and the cost of the vehicles.

(c) Within the next fiscal year ending September 30, 1998, does the Postal Service have plans to purchase any vehicles designed to be used for the purpose of delivering parcels? If yes, please describe those plans.

(d) If the answer is yes to (a), (b) or (c) above, please indicate to what class(es) or subclass(es) of mail are the costs attributable?

RESPONSE:

(a)-(d) The Postal Service does not design or purchase unique vehicles for the

purpose of parcel delivery, nor does it plan to do so. Instead, postal vehicles are

designed to accommodate delivery and collection of all types of mail, including

parcels, over a variety of situations and assignments.

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

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 August 12, 1997