

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

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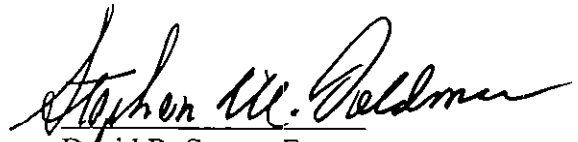
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Docket No. R97-1

**THE AMERICAN BUSINESS PRESS' FIRST SET OF
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF
DOCUMENTS DIRECTED TO USPS WITNESS MODEN
(ABP/USPS-T-4-1-15)**

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the American Business Press hereby submits the attached interrogatories and requests for production of documents to USPS Witness Moden (ABP/USPS-T-4-1-15). If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,



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August 20, 1997

FIRST INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS
OF AMERICAN BUSINESS PRESS (ABP)
TO USPS WITNESS RALPH MODEN (USPS-T-4)
ABP/USPS-T-4-1-15

ABP/USPS-T-4-1

On p. 1 of your testimony, you state that your office, among other things, evaluates “the impact of programs and plans outside of Operations.”

Please clarify what you mean by evaluation of “programs and plans outside of Operations” when you are the Manager, Operational Requirements within the office of Operations Support. [Emphasis added].

ABP/USPS-T-4-2

Please produce for inspection a copy of the “Corporate Automation Plan” referred to in paragraph one, p. 1 of your testimony.

ABP/USPS-T-4-3

Are all of the “Operations Models” referred to on line 13, p. 1 of your testimony displayed and explained by you and by various USPS witnesses in this case. If your answer is affirmative, identify each model accompanied by a citation to the page or pages of testimony, exhibits, work papers or library references where that Operational Model is presented. If your answer in whole or in part is negative, please produce the “Operations Models” for inspection.

ABP/USPS-T-4-4

[a] Please confirm (1) that prior to January 1, 1997, periodical mailers that qualified for bar-code (Zip +4) discounts were allowed to mail both automation-qualified and non-automation pieces together in packages otherwise properly prepared, as long as the number of pieces that did not qualify for the bar-code discount did not exceed 15% of the pieces of the total mailing and (2) that the pieces in such mailings that did have Zip +4 codes qualified for bar-code discounts in effect prior to January 1, 1997.

[b] Please confirm that the Classification Reform Implementation Standards published as a “Final Rule” in the March 12, 1995 Federal Register mandated that, effective July 1, 1996, all pieces that a periodical publisher claimed for automation (bar-code discount) rates must show 100% valid delivery point or Zip +4 bar-codes, or all of the pieces in the mailing would be denied automation discounts.

[c] Please confirm that USPS received comments from publishers about the rule described in part [b] above that this 100% standard could eliminate large volumes of more finely presorted periodical pieces, that there could be a decrease in the volume of

bar-coded periodical pieces and that USPS cannot supply correct bar-codes for all addresses to which periodicals are mailed.

[d] Please confirm that the implementation date of July 1, 1996 for 100% Zip +4 addressing for a mailing of periodicals to qualify for bar-code discounts was deferred by USPS to January 1, 1997, while between July 1 and December 31, 1996 up to 10% of the pieces in an automation periodicals mailing of flat-size pieces could bear a five-digit zip code, such five-digit pieces being allowed to be combined and presorted with the balance of the mailing, paying nonautomation periodical rates.

[e] Please explain the reason USPS delayed the effective date of the 100% Zip Plus 4 rule for periodical automation pieces from July 1, 1996 to January 1, 1997.

[f] Did you, other USPS managers that report to you, and/or senior USPS management continue to receive information, by meeting, correspondence and phone calls from publishers and their associations prior to and after the January 1, 1997 effective date for 100% Zip Plus 4 bar-coding, that the standard was impossible to comply with, would adversely affect service, degrade levels of presort, and impede efforts to bar-code as many periodicals as possible. If your answer is affirmative, describe what actions USPS has since taken, including actions you have taken, to correct these difficulties.

[g] Do problems raised by publishers about their ability to attain 100% Zip Plus 4 codes continue at present?

[h] Will the 100% Zip Plus 4 mandate for periodical mailings will be achieved in the test year? Please explain any affirmative or negative answer.

[i] If your answer to part [h] is negative, will five digit pieces segregated from properly bar-coded pieces in the same mailing be manually distributed if the five-digit pieces are machinable?

ABP-USPS-T-4-5

On p. 4, lines 4-5 of your testimony, you state that letters and flats are processed as two distinct mailstreams. If this is the rule, do "mixed mail" containers processed by USPS contain both letters and flats, and if they do, how does this occur? (See, e.g., USPS-T-12, p. 5, lines 12-14, and footnote 7 on USPS-T-12, p. 5)

ABP/USPS-T-4-6

In describing the MPFSM 1000 machine on p. 10 of your testimony, you state that "nearly all" flats non-machinable on the FSM 881 can be processed on the FSM 1000.

[a] Please describe as completely as possible kinds of flats (e.g. pieces over one pound, tabloids, etc.) that currently are "non-machinable."

[b] What is the total volume of non-machinable periodical pieces that the FSM 881 cannot process? How many periodicals or periodical pieces currently are non-machinable because they exceed the maximum length limit of 15" prescribed by DMM §C820.2.3b?

ABP/USPS-T-4-7

Is there an inconsistency between the number you cite of 58.8% (through A/P 9, FY 1997) of all non-carrier route flats that are bar-coded (p. 10, line 12) and the figure of 28% that you cite on p. 10, line 29? Please clarify the meaning of these different percentages.

ABP/USPS-T-4-8

[a] At page 10, you state that the percentage of flat mail that is barcoded has increased since "Classification Reform." Is it your testimony that the classification changes to which you refer caused a substantial part of that growth? Please explain.

[b] To what classes and subclasses does your statement about the increased percentage of barcoded flat mail apply?

ABP/USPS-T-4-9

At page 10, lines 10-12, you provide the percentage by which barcoded flat mail has increased. Please provide the equivalent percentages by class and subclass.

ABP/USPS-T-4-10

At page 10 you describe the deployment of FSM 1000s, and at page 13 you discuss the possible deployment of barcode readers for those sorters. Please update this testimony and continue to do so throughout the case.

ABP/USPS-T-4-11

[a] Has USPS conducted mailer surveys or requested data from publishers and/or their associations or from other mailers to determine how many more bar-coded pieces may be expected in the test year if bar-code readers are affixed to FSM 1000 equipment? If your answer is affirmative, please provide a summary of the results to date and continue to update.

[b] Work paper RR-J, which accompanies USPS-T-34 (Witness Taufique), projects volumes of automated periodicals in the test year (after rates). Does this volume take into account deployment of bar-code readers on FSM 1000 before the end of the test year, as well as improvements to the 812 FSM 881 flat sorters to which you refer on p. 13, line 7 of your testimony? If RR-J does not take into account added volumes of automated periodicals because of planned equipment deployment in FY 1998, what is your estimate of added volume?

ABP/USPS-T-4-12

[a] In reference to your discussion (p. 13, lines 20-24) about bar-code readers added to FSM 1000s, do you disagree with public statements made by USPS officials that

deployment of bar-code readers will begin in FY 1998, as contrasted with your use of the phrase "could begin in Fiscal Year 1998"?

[b] Why has management not yet asked the Governors to approve FY 1998 deployment of bar-code readers for FSM 1000 [DMA/USPS-T-4-8 (f)]?

ABP/USPS-T-4-13

Please provide now, or when available, copies of all contracts for the manufacture and deployment of bar-code readers designed for attachment to FSM 1000 machines.

ABP/USPS-T-4-14

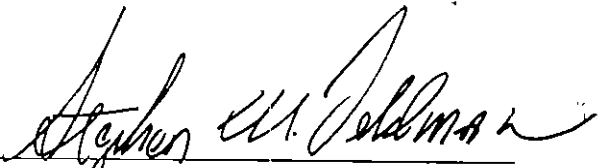
How many of the 812 FSM 881 flat sorters, whether or not retrofitted with OCR capability for non-bar-coded pieces (USPS-T-4, p. 13, lines 7-9), now have bar-code readers to recognize mailer-applied bar-codes? If not all FSM 881 flat sorters have BCR capability, explain why some do and some do not.

ABP/USPS-T-4-15

Confirm that your response to DMA/USPS-T-4-1 (c) that Witness Tolley, Exh. USPS-6A, projects the distribution of bar-coded letters and flats for the FY 1997-1999 period is not completely accurate, because Witness Tolley does not project volumes of automated periodicals in that Exhibit.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing documents in accordance with Section 12 of the Commission's Rules of Practice.



David R. Straus
Stephen M. Feldman

Dated: August 20, 1997