

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

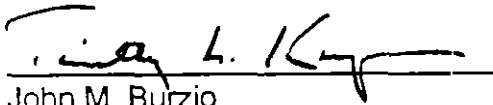
POSTAL RATE & FEE CHANGES, 1997

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Docket No. ~~Aug 22~~ 1 55 PM '97
POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

INTERROGATORIES OF TIME WARNER INC.
TO UNITED STATES POSTAL SERVICE WITNESS MODEN: TW/USPS-T4-17-21
(August 22, 1997)

Pursuant to sections 25 and 26 of the Rules of Practice, Time Warner Inc. (Time Warner) directs the following interrogatories to United States Postal Service witness Moden (USPS-T-4). If witness Moden is unable to respond to any interrogatory, we request that a response be provided by an appropriate person capable of providing an answer.

Respectfully submitted,



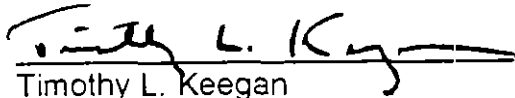
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the instant document on all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



Timothy L. Keegan

August 22, 1997

THIRD SET OF INTERROGATORIES TO WITNESS MODEN (USPS-T-4)

TW/USPS-T-17 Please refer to your answer to TW/USPS-T-12. You indicate that an FSM can be used simultaneously in the BCR and manual keying mode, with some consoles set for BCR and some for manual keying and that this causes no problem in the output stream.

a. Please confirm that a given console must be set for either BCR or manual keying and that the operator at that console cannot arbitrarily switch from one mode to another (e.g. when he sees that one flat has a barcode while the next one does not.) Please explain if not confirmed.

b. Is it a fairly common practice to use FSM's with some consoles in BCR and some in manual keying mode? If no, why not?

c. Please assume that an FSM-881 is used for incoming primary distribution with two consoles in the BCR mode and the other two in the manual keying mode applied to non-barcoded flats. Assume that one of the output streams, containing both barcoded and non-barcoded flats, is to a five-digit zone with more than ten carrier routes and that these flats are later given to an FSM operator for sorting to carrier route. Please confirm that the console used by this operator must be set in manual keying mode and that both the barcoded and non-barcoded flats will have to be keyed. If you do not confirm, please explain.

d. Assume that an FSM has produced a tray of barcoded flats which will receive further sortation in another postal facility. How will that tray be marked to indicate that it contains only barcoded flats, and how will it be handled and transported to assure that it is handled as barcoded flats in the destinating facility? Please also indicate the different marking and handling that is applied to: (1) a tray with both barcoded and non-barcoded flats; (2) a tray with machinable but non-barcoded flats; and (3) a tray of manually sorted flats that may include non-machinable flats.

TW/USPS-T-18 Please refer to your answer to TW/USPS-T-7h, which includes the filing, under protective conditions, of LR-H-221, containing the Site META user's guide. You indicate that Site META was required for RCBS activation, is required for activation of new facilities and is used at local discretion to adjust local staffing.

a. For what types of new facilities is Site META required? Is it for example required for activation of each new station, branch and associate office? Is it required for each facility modification, for example when a facility adds an annex to provide additional capacity? Please explain.

b. How frequently does a typical, already activated, RCBS use Site META to adjust its staffing?

c. Besides the required use of Site META, how many facilities have used it on a discretionary basis? Of those that have used it on a discretionary basis, how many are (1) processing and distribution centers; (2) other SCF's; (3) BMC's; (4) associate offices; (5) stations and branches; and (6) other types of facilities?

d. Among the facilities that have used Site META at least once on a discretionary basis, how many use it regularly? Of those that use it regularly, how many are (1) processing and distribution centers; (2) other SCF's; (3) BMC's; (4) associate offices; (5) stations and branches; and (6) other types of facilities? Please also indicate the typical frequency with which these facilities use Site META.

e. How many staffing positions has the Postal Service been able to (1) eliminate; or (2) avoid creating as a direct result of applying Site META? Please explain your answer. If you do not know the answer, please name the facilities you know of that were able to reduce staffing positions and how many positions were eliminated in each facility.

TW/USPS-T4-19

a. Please confirm that Site META is described in LR-H-221 as having two types of scheduling programs, the "initial scheduler" and the "optimizer scheduler", the latter of which takes over six hours to run. Please also indicate which size problem, i.e. number of different operations, employees and tours, the six hour running time estimate refers to.

b. Does the required use of Site META, referred to in your response to TW/USPS-T4-7h, include use of the "optimizer scheduler"?

c. Among facilities that use Site META on a regular and discretionary basis, how many base their facility staffing schedule directly on output from the Site META "optimizer scheduler"? Of those, how many are (1) processing and distribution centers; (2) other SCF's; (3) BMC's; (4) associate offices; (5) stations and branches; and (6) other types of facilities?

d. The Site META "optimizer scheduler" is referred to in LR-H-221 as reducing the idle time produced by the initial scheduler. According to the applications that have been made to actual data in real facilities, how much idle time is typically left after application of the "optimizer scheduler"?

TW/USPS-T4-20

a. Does the Site META program determine staffing and hiring requirements that take into account (1) seasonal variations in mail volume; (2) sick leave and other absenteeism; or (3) projected attrition levels? If yes, please indicate where such features are described in LR-H-221 and refer to any illustration of output from such model features.

b. Does the Site META program produce staffing schedules that allow movement of individual employees from one operation to another as the processing requirements change during that employee's tour? If yes, please indicate where such features are described in LR-H-221 and refer to any illustration of output from such model features.

c. Does the Site META program produce staffing schedules that tell individual clerks and mailhandlers what and where their work assignments will be during a given tour, week or longer period? If yes, please indicate where such features are described in LR-H-221 and refer to any illustration of output from such model features.

d. Does the Site META program allow live rescheduling and staffing adjustments during a given tour based on actual as opposed to projected work requirements? If yes, please indicate where such features are described in LR-H-221 and refer to any illustration of output from such model features.

e. To the extent that your answers to parts a, b, c and d above are negative, please indicate whether the Postal Service has other computerized tools that perform the functions referred to, and provide a full documentation of such other tools. To the extent that your answers are affirmative, please describe the number of facilities, by facility type, that regularly use each feature.

f. How does the Site META program handle staffing at manual sorting operations with the "surge" at the end of Tour 3 and Tour 1 referred to in your testimony? If any output exists describing the application to this situation with real data, please provide it.

g. Does output from the Site META "optimizer scheduler" in your opinion either (1) predict, (2) explain; or (3) justify the sharply increased break-time, other "non-handling" or empty equipment costs revealed by the IOCS in recent years? Please explain your answer.

h. Could increased use of the Site META "optimizer scheduler" in your opinion help reduce the sharply increased break-time, other "non-handling" or empty equipment costs revealed by the IOCS in recent years? Please explain your answer.

TW/USPS-T4-21 Please refer to your answer to TW/USPS-T4-13a, in which you describe the various methods that may be used to handle the flats rejected by an FSM-OCR.

a. Please confirm that according to LR-H-113, at page 101, the FY96 hourly productivity rate for outgoing primary flat sortation performed on FSM's in BCR mode in MODS offices was 1,078 flats per manhour, and that for outgoing primary flats sortation performed on FSM-881's in manual keying mode the corresponding hourly productivity rate was 774 flats per manhour. If you do not confirm, please state what you believe the achieved productivity rates were in FY96 and explain your answer.

b. Is it reasonable to assume that, apart from differences in accept rates, the throughput of flats sorted in OCR mode on an OCR equipped FSM 881 will be roughly the same as in BCR mode? If you do not agree, please explain.

c. Please assume, as witness Seckar has assumed, that the throughput on an FSM 881 in BCR and OCR mode will be the same, and that the acceptance rate in FSM OCR mode is 60%. Please assume also that the rejected flats are keyed manually on an FSM, one of the alternatives you indicated in response to TW/USPS-T4-13a. Under these assumptions, using the hourly productivity rates from LR-H-113, please confirm the following calculations or, if you cannot confirm, explain why you disagree:

- (1) Processing 10,000 outgoing primary pieces in the FSM-OCR mode will take $10,000/1,078 = 9.276$ manhours;
- (2) Processing the 4,000 pieces rejected in the first pass by manual keying on the FSM 881 will take $4,000/774 = 5.168$ manhours;
- (3) Total manhours spent in processing the 10,000 pieces through outgoing primary is therefore $9.276+5.168 = 14.444$ manhours;
- (4) The average achieved productivity will therefore be $10,000/14.444 = 692$ pieces per manhour, less than if all pieces had simply been keyed manually on the FSM 881 in the first place; and
- (5) If the 4,000 rejected pieces, rather than being manually keyed on an FSM 881 in the second pass, were instead sorted on an FSM-1,000 or manually, the resulting average productivity rate would be even less.

d. Please confirm that, using the MODS productivity rates in LR-H-113, applying the calculations indicated in part c above will lead to essentially similar conclusions for outgoing secondary, state primary and incoming primary flats distribution. Additionally, please explain what changes the Postal Service plans to make that will cause real savings to be produced by FSM's in OCR mode.