

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

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

Postal Rate and Fee Changes, 1997 )

Docket No. R97-1

OFFICE OF THE CONSUMER ADVOCATE  
INTERROGATORIES TO UNITED STATES POSTAL SERVICE  
WITNESS MICHAEL W. MILLER  
(OCA/USPS-T23-1-7)  
September 3, 1997

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of documents. Instructions included with OCA interrogatories 1-7 to the United States Postal Service dated July 16, 1997, are hereby incorporated by reference.

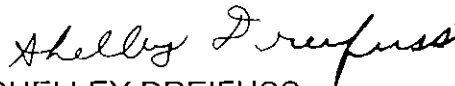
Respectfully submitted,



GAIL WILLETTE

Director

Office of the Consumer Advocate



SHELLEY DREIFUSS

Attorney

OCA/USPS-T23-1. Please refer to your direct testimony on page 4 where you describe the functions of the Remote Encoding Center ("REC"). In September of 1995 the General Accounting Office ("GAO") issued a report entitled "Performing Remote Barcoding In-House Costs More Than Contracting Out." A part of that report dealt with the Postal Service's decision to use contractors rather than Postal Service personnel at REC's.

- a. What is the current mix of contract versus Postal Service employees at REC's?
- b. What is the projected mix of contract versus Postal Service employees for the next three fiscal years at REC's? Please include in your discussion any relevant labor relations factors, such as agreements reached through collective bargaining. To the extent you are not aware of relevant collective bargaining issues, please refer this question to another person or to the Postal Service for an institutional response. If the projected mix is not known, why not?
- c. What is the current productivity in images processed per hour of contract versus Postal Service employees, and what was it in the eight quarters preceding the most current analysis of productivity?
- d. If documents exist describing productivity of contract versus Postal Service employees, and the documents were written or generated on or after January 1, 1996, please supply them.
- e. What is the current cost per image processed using contract versus Postal Service employees, and what was it in the eight quarters preceding the most current analysis of productivity?

- f. If documents exist describing cost per image processed using contract versus Postal Service employees, and the documents were written or generated on or after January 1, 1996, please supply them.

OCA/USPS-T23-2. The GAO report referenced above also states that the Postal Service is changing its mix of transitional versus career employees at the REC's. Report at 4-5.

- a. What is the current mix of transitional versus career Postal Service employees at REC's?
- b. What is the projected mix of transitional versus career Postal Service employees at REC's for the next three fiscal years? Please include in your discussion any relevant labor relations factors, such as agreements reached through collective bargaining. To the extent you are not aware of relevant collective bargaining issues, please refer this question to another person or to the Postal Service for an institutional response. If the projected mix is not known, why not?
- c. What is the current productivity of transitional versus career Postal Service employees in images processed per hour, and what was it in the eight quarters preceding the most current analysis of productivity?
- d. If documents exist describing productivity of transitional versus career Postal Service employees, and the documents were written or generated on or after January 1, 1996, please supply them.

- e. What is the current cost per image processed using transitional versus career Postal Service employees, and what was it in the eight quarters preceding the most current analysis of productivity?
- f. If documents exist describing cost per image processed using contract versus Postal Service employees, and the documents were written or generated on or after January 1, 1996, please supply them.

OCA/USPS-T23-3. What is the reject rate for prebarcoded mail? If the rate is unknown, please explain why it is unknown.

OCA/USPS-T23-4. What is the reject rate for prebarcoded *reply* mail? If the rate is unknown, please explain why it is unknown.

OCA/USPS-T23-5. When prebarcoded mail is rejected, does the rejection take place at the Advanced Facer Canceler? Please explain.

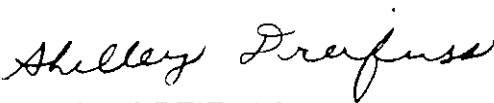
- a. Please describe what additional handling and processing steps are required when prebarcoded mail is rejected.
  - b. Do rejections of such mail occur at any other point in the mail processing system? Please discuss, and include in your discussion any additional handling and processing steps that take place.
  - c. Are any of the answers to this interrogatory different for prebarcoded reply mail? Please discuss.
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OCA/USPS-T23-6. You explain on page 5 of your direct testimony how "leakage" occurs with mail processed through the REC. Does leakage ever occur with prebarcoded mail or prebarcoded reply mail? Please discuss.

OCA/USPS-T23-7. Please refer to your direct testimony at page 2 where you state that the cost avoidance for both QBRM and PRM is calculated as the difference in mail processing costs between a prebarcoded First-Class reply mail piece and a handwritten First-Class reply mail piece. Please explain whether your QBRM/PRM cost avoidance analysis (and the underlying mail flow analysis) would be the same for Courtesy Envelope Mail ("CEM") as defined in Docket No. MC95-1. In your analysis, assume that the CEM mail would have proper postage affixed.

#### CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

  
SHELLEY DREIFUSS  
Attorney

Washington, D.C. 20268-0001  
September 3, 1997