

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

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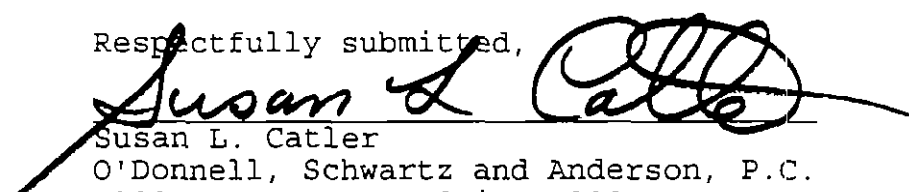
POSTAL RATE AND FEE CHANGES, 1997:

DOCKET NO. 89-7-11  
POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

AMERICAN POSTAL WORKERS UNION, AFL-CIO  
FIRST SET OF INTERROGATORIES TO  
UNITED STATES POSTAL SERVICE WITNESSES  
(APWU/USPS-T9, T29, & T31)

The American Postal Workers Union, AFL-CIO, requests the United States Postal Service to respond fully and completely to the following interrogatories and requests for production of documents pursuant to Rules 25 and 26 of the Commission's Rules of Practice and Procedure.

Respectfully submitted,

  
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Counsel for American Postal Workers Union, AFL-CIO

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the following document upon all participants of record in this proceeding in who have requested interrogatory service.

Date: August 29, 1997

  
Susan L. Catler

INTERROGATORIES OF AMERICAN POSTAL WORKERS UNION, AFL-CIO  
TO UNITED STATES POSTAL SERVICE WITNESS TAYMAN

APWU/USPS-T9-1. In you library reference (LR H-12) you have a worksheet with the name SPTDC\_97.XLS which has a section titled "SVCWIDE PERS OTHER PROGRAMS." In it there is an estimated increase in clerk and mailhandler workyears of 20,000 in 1997 and 30,000 in 1998. The increase is attributed to "equipment slippage".

(a) Please explain what the term "equipment slippage" means.

(b) Please provide all workpapers that show how the estimated increase in clerk and mailhandler workyears was derived.

INTERROGATORIES OF AMERICAN POSTAL WORKERS UNION, AFL-CIO  
TO UNITED STATES POSTAL SERVICE WITNESS DANIEL

**APWU/USPS-T29-1:** The text at page 1 of Exhibit USPS-29C uses a figure of 9.5391 cents per piece for the mail processing costs of bulk metered mail. Footnote 5 on that page indicates the figure in the text is incorrect and that it should be 10.5814 cents per piece. The library reference LR-H-106 cited in the footnote has the calculation only for the figure in the footnote, 10.5814 cents per piece. Please supply the calculation for the figure used in the text, 9.5391 cents per piece, as well as all the relevant workpapers that show the reason for the use of the changed calculation or led to the use of the changed calculation.

INTERROGATORIES OF AMERICAN POSTAL WORKERS UNION, AFL-CIO  
TO UNITED STATES POSTAL SERVICE WITNESS BERNSTEIN

APWU/USPS-T31-1. On page 81, line 21 ff., you state:

"... the type of mail that is most likely to shift from single piece to workshare mail is probably relatively low cost single piece mail. As a result when the workshare discount is increased, the mail that shifts from single piece to workshare probably has a cost that is less than the average cost of all single piece mail, a consideration that is relevant to both Ramsey pricing and Efficient Component Pricing."

On page 85, lines 1-3, you state:

"A key assumption of the price calculation is that when a piece of mail shifts from single-piece to workshare, the postal marginal cost of the mail falls from the single piece marginal cost of \$0.2324 to the workshare marginal cost of \$0.0991, thereby saving the Postal Service saves [sic] \$0.1333 per piece."

(a) Please confirm that the marginal cost figure you used on page 85 for the mail shifting from single-piece to workshare mail is the marginal cost of single-piece mail, and not the lower marginal cost that you said on page 81 should be used for mail shifting from single-piece to workshare.

(b) Please explain why the marginal cost figure you used on page 85 for the mail shifting from single-piece to workshare mail is the marginal cost of single-piece mail, and not the lower marginal cost that you said on page 81 should be used for mail shifting from single-piece to workshare.