

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

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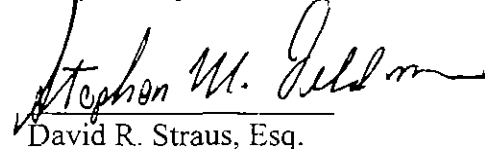
POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1  
OFFICE OF THE SECRETARY

THE AMERICAN BUSINESS PRESS' FIRST SET OF  
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF  
DOCUMENTS DIRECTED TO USPS WITNESS SECKAR  
(ABP/USPS-T26-1-17)

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 Seckar (ABP/USPS-T26-1-17). If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,



David R. Straus, Esq.

Stephen M. Feldman, Esq.

THOMPSON COBURN

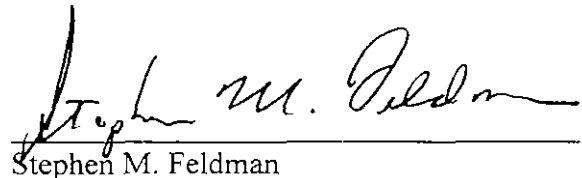
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**CERTIFICATE OF SERVICE**

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

  
Stephen M. Feldman

Dated: September 5, 1997

FIRST INTERROGATORIES  
OF AMERICAN BUSINESS PRESS (ABP)  
TO USPS WITNESS PAUL SECKAR (USPS-T-26)

ABP/USPS-T-26-1

Define the term "CRA subclass costs" as used at USPS-T-26, p. 10; line 20.

ABP/USPS-T-26-2

Define and explain the term "de-averaged benchmark costs" as used by you on p. 10, line 21 of your testimony, and on p. 11, lines 16-17 of your testimony.

ABP/USPS-T-26-3

Define and explain the term "rate category" as used by you at p. 11, line 20.

ABP/USPS-T-26-4

By "CRA subclass costs" do you mean in whole or in part the costs that are listed in Tables III-1 to III-5, under the "Actual Mail Makeup" approach? If your answer is anything but an unqualified yes, please define the term "CRA subclass costs" as you use it in these tables and explain what, if any, relation the term has to "actual mail makeup" costs.

ABP/USPS-T-26-5

Are both the "modeled" and "actual" costs that you refer to on pp. 11-12 derived from the MODS cost pools as developed and distributed by Witnesses Bradley and Degan in this proceeding?

ABP/USPS-T-26-6

On p. 13, lines 4 and 19-21, you observe that automated and non-automated flats have different mail makeup, density, and eligibility requirements.

[a] Could the difference be explained in part by the greater incentive, for example, for periodicals that currently are non-automated and sacked to consolidate 3-digit and 5-digit packages in 3-digit and 5-digit sacks, as compared with packages of automation-compatible periodicals, as shown in Table A-2, Ex. USPS-T-26J p. 4.

[b] Will the increased ability to sort flats mechanically that are now non-machinable, by deployment of the FSM 1000, reduce the makeup differences between flats that are now automated and those that are not? Please explain your response.

ABP/USPS-T-26-7

Referring to Table A-2, USPS-T-26J, please define a "basic" presort level for containers.

ABP/USPS-T-26-8

[a] Please define and explain your term "CRA adjustment factors" (p. 14, line 23).

[b] Do the mail processing costs “beyond piece sorting and bundle sorting” (p. 14, lines 22-23), which comprise “constant” mail entry costs, include all costs included in Cost Segment 3, except for piece distribution and bundle sorting?

ABP/USPS-T-26-9

On p. 16 of your testimony, lines 15-17, you state that for “all basic rate flats mail,” piece distribution included in the models includes outgoing primary and secondary operations, the ADC, the SCF, the incoming primary and secondary operations.

[a] Describe in detail the operations that are performed at the ADC.

[b] Does the model assume that incoming primary and/or secondary operations are not done at a SCF?

[c] Do SCF operations include, in actual practice, incoming and secondary functions that otherwise would be performed at a five-digit delivery station or branch? If your answer is affirmative, please supply whatever statistics are available to describe the percentage of flats and/or periodicals for which incoming primary and secondary distribution is done at sectional facilities centers.

[d] If the basic flats mail is dropshipped to an ADC or to a SCF, how would the model change?

ABP/USPS-T-26-10

On p. 19, USPS-T-26 (lines 9-10), you refer to packages in 3-digit sacks that need to be sorted to containers for transfer to incoming primary or secondary operations, or for dispatch to delivery units.

[a] If “dispatch to delivery units” occurs for packages originally enclosed in 3-digit sacks, does this mean that the incoming primary and secondary distribution could be made either at the SCF or at the delivery unit at a branch or station?

[b] If the response to [a] is affirmative, explain why distribution is done at an SCF rather than at a “delivery unit” at delivery station or branch.

[c] By “delivery unit,” do you mean the in-office carrier piece distribution operation or all piece distributions made by clerks and by carriers at the delivery five-digit post office or station?

ABP/USPS-T-26-11

[a] Please explain why 50.8% of all 5 digit bundles require bundle sorting or opening unit preparation prior to going to the incoming secondary operation and why 49.2% of these bundles do not (USPS-T-26, p. 19, line 24).

[b] Does the distribution and opening unit preparation described in lines 22-25, at page 19, of your testimony take place only at the destination SCF, or could it occur at a delivery station or branch, or at both types of facilities?

[c] Please confirm that your responses to 12[a]-[b] also apply to 3-digit containers (p. 20, lines 10-14). If there is a distinction between 3 and 5-digit bundles distribution (as distribution is described in responses [a]-[b]), please identify and explain what they are.

ABP/USPS-T-26-12

What is meant by the term “presort pallets,” as used on p. 22, line 1, and what kind of pallet is not a presort pallet?

ABP/USPS-T-26-13

[a] In your discussion of carrier route mail distribution, how would the handling in opening unit and bundle distribution operations referred to at USPS-T-26, p. 22, lines 6-12, differ if carrier route packages were placed on ADC, SCF, 3-digit and 5-digit pallets or enclosed in sacks sorted to the foregoing presort levels?

[b] After a pallet is broken up, are the packages on the pallet re-containerized by USPS at the particular facility to which the pallet was sent?

ABP/USPS-T-26-14

[a] Is the "fixed element of the benchmark cost" as used on p. 25, USPS-T-26, a volume variable cost or an institutional cost?

[b] If it is a volume-variable cost, why is the cost not "affected by work sharing levels" as stated at p. 25, lines 5-6?

[c] Referring to USPS-T-14 (Bradley), Table 1 at 9, explain why MODS-derived platform costs, which are shown to have a variability of volume of 73%, are included in the "proportional benchmark," USPS-T-26, p. 24, line 18, and are also included in the "fixed" element of the benchmark cost, which is added to each of the rate category costs. USPS-T-26, p. 25, lines 4-7.

ABP/USPS-T-26-15

Please clarify your statement on p. 26, USPS-T-26, lines 5-6, that periodicals data exist only for the automation and non-automation types in contrast to "machinable and non-machinable" data for First-Class and Standard A, given that USPS-T-26F displays three tables, at pp. 4-6, each of which lists costs for machinable and non-machinable periodicals.

ABP/USPS-T-26-16

[a] Is the source of the bar-coded volumes for regular rate periodicals shown in column 1 (USPS-T-26, p. 7) in the constant mail entry model the same source for volumes shown as part of the TYBR billing determinants for regular rate automation periodical flats, USPS-T-34, Work paper RR-F, p. 1?

[b] If your answer to part [c] is negative, identify both sources.

ABP/USPS-T-26-17

[a] In connection with your discussion of planned test year equipment development, do you assume that the test year deployment of FSM 1000 will include bar-code readers affixed to the 221 FSM 1000 machines that you describe at USPS-T-26, p. 34? [b] If your answer to part [a] is affirmative, do the costs for "automation basic flats" shown in the appendices to your testimony take into account additional productivity and cost savings achievable by deployment of bar-code readers combined with the FSM 1000?

[c] If your answer to part [b] is affirmative, what are the additional projected savings?

[d] If your answer to part [a] is negative, do you agree that FSM 1000 machines with Bar-Code Readers would have productivities that would produce lower unit costs in the flow model than are currently shown in your exhibit, USPS-T-26B?