

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 RALPH J. MODEN  
(OCA/USPS-T4-18-24)  
September 5, 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.

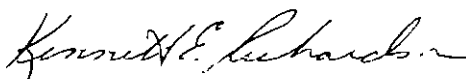
Respectfully submitted,



GAIL WILLETTE

Director

Office of the Consumer Advocate



KENNETH E. RICHARDSON

Attorney

OCA/USPS-T4-18. There is a Business Wire story, dated September 2, 1997, from Menlo Park, California, reporting a program to enhance the Postal Service's multi-line optical character recognition (MLOCR) system at 250 sites by September of this year with a co-processor program developed at SRI International.

- a. Is this the same program listed in Library Reference H-10, Exhibits B and C as MLOCR Co-Directory/Co-Processor with costs for FY 1998 above the prior year of \$2.458 million (LR-H-10, Exhibit B, page 3) and cost reductions for the test year after rates of \$27.945 million? (LR-H-10, Exhibit C, p.2). If you do not confirm, please explain.
- b. Please explain if this is the same program discussed in your testimony (T-4, pages 5-6) regarding the enhancement of the MLOCRs to improve the overall encode rate of the OCR and which you stated in response to an interrogatory (DMA/USPS-T4-2d) costs \$23,000 for a Co-Processor and \$18,000 for a Co-Directory to retrofit each MLOCR.

OCA/USPS-T4-19. Please provide MODS volume or piece handling counts for FY 1996 by CAG for each of the MODS cost pools. Please break this information out by the method used to collect these piece counts (SWS, actual counts, etc.).

OCA/USPS-T4-20. According to page 20-2 of library reference H-1, depreciation is determined for each of the 21 mail processing equipment categories listed in Appendix F of H-1.

- a. For each of the types of equipment listed in your response to OCA/USPS-T4-1, please indicate the mail processing equipment category to which it belongs. If an equipment type does not fit precisely into one of the Appendix F categories, please indicate all categories it might be associated with or explain why it does not fit in any of the categories.
- b. For each Appendix F equipment category, please provide the number of pieces of each equipment type in that category currently installed by CAG of office.
- c. For each Appendix F equipment category, please provide the number of pieces of each equipment type in that category currently installed by type (MODS, Non-MODS, or BMC) of office.
- d. For each Appendix F equipment category, please provide the number of pieces of each equipment type in that category currently installed by CAG by type of office.

OCA/USPS-T4-21. Please refer to your response to OCA/USPS-T4-2 and to the instructions included with OCA interrogatories 1-7 to the United States Postal Service dated July 16, 1997. Those instructions stated:

*If data requested are not available in the exact format or level of detail requested, any data available in (1) a substantially similar format or level of detail or (2) susceptible to being converted to the requested format and detail should be provided.*

- a. Please explain whether the Postal Service maintains any list or file of equipment categories by office or finance number.

- b. Please explain whether the Postal Service maintains any list or file of equipment categories by CAG.
  - c. Please confirm that the Postal Service maintains lists or files that contain the CAG of each office or finance number. If you do not confirm, please explain.
  - d. Please confirm that the Postal Service maintains records of where mail processing equipment is deployed.
  - e. Suppose that an MPBCS is deployed to office A in FY 1995. Will that piece of equipment be there in FY 1996 or FY 1997? If the MPBCS is moved to office B in FY 1997, does the Postal Service maintain records of the move? If so, please describe the records kept. If not, how can future equipment deployments to offices A and B be planned? Please explain.
  - f. Suppose that an LSM was deployed to office A in FY 1986, and that in FY 1997 it was removed from service. Does the Postal Service maintain records of equipment removed from service for each office? If so, please describe the records kept. If not, please explain how future mail processing deployments to office A can be planned without the knowledge that some equipment had been retired.
  - g. Please confirm that the Postal Service maintains records of where mail processing equipment is located. If you do not confirm, please explain how future deployment schedules can be determined.
  - h. Please confirm that the Postal Service maintains a detailed inventory of assets in order to produce account 54330 depreciation of mail processing equipment. If
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you do not confirm, please explain how depreciation expenses can be determined without an inventory of assets.

OCA/USPS-T4-22. Please refer to your response to OCA/USPS-T4-2 and to the instructions included with OCA interrogatories 1-7 to the United States Postal Service dated July 16, 1997. Those instructions stated:

Please especially note that if you are unable to provide any of the requested documents or information, as to any of the interrogatories, please provide an explanation for each instance in which documents or information cannot be or have not been provided.

Your response to OCA/USPS-T4-2 stated that information "as specified" is not available.

- a. Please explain which specification caused the requested information to be unavailable.
- b. Is it possible to make a minor modification to the specifications so that information could become available? Please explain.
- c. Please make any changes to the specifications of the interrogatory so that you can respond with available information to a request similar to the original OCA/USPS-T4-2.

OCA/USPS-T4-23. Please refer to Library Reference H-127, page IV-2, entitled "Capital Costs of Mail Processing Equipment for FY 1996."

- a. Please provide the "Equipment Accounting Records" on which the annual depreciation for all of the equipment listed on that page is based.

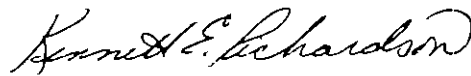
- b. Please provide a breakdown of the accounting records requested in part a, above, by CAG.
- c. Please provide a breakdown of the accounting records requested in part a, above, by type (MODS, Non-MODS, or BMC) of office.
- d. Please provide a breakdown of the accounting records requested in part a, above, by CAG by type of office.

OCA/USPS-T4-24. Please refer to your response to OCA/USPS-T4-6 and library reference H-244.

- a. Please confirm that the deployment sites listed at pages 1-5 of H-244 are all CAG A MODS offices. If you do not confirm, please explain.
- b. Please confirm that the deployment schedules in H-244 are only for CAG A MODS offices. If you do not confirm, please explain and show where the schedules indicate Non-MODS or lower CAG offices.
- c. Please refer to your response to OCA/USPS-T4-2. Please explain how these deployment schedules of H-244 can be developed without the availability of current mail processing equipment levels at individual offices.
- d. Please confirm that new automated mail processing equipment is only scheduled for deployment to MODS offices, BMCs, and RECs. If you do not confirm, please provide a citation to pages of H-244 that show deployment schedules for Non-MODS offices.

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.

A handwritten signature in cursive script, reading "Kenneth E. Richardson".

KENNETH E. RICHARDSON  
Attorney

Washington, D.C. 20268-0001  
September 5, 1997