

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

RECEIVED
SEP 5 11 39 AM '97

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

DOCKET NO. R97-1

FLORIDA GIFT FRUIT SHIPPERS ASSOCIATION
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS BRADLEY, USPS-T-13

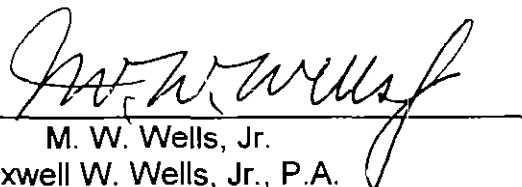
FGFSA/USPS-T13-40-56

SEPTEMBER 3, 1997

Florida Gift Fruit Shippers Association (FGFSA) hereby submits the attached interrogatories to USPS Witness Bradley (USPS-T13) and requests a timely and full response under oath.

Florida Gift Fruit Shippers Association

By



M. W. Wells, Jr.
Maxwell W. Wells, Jr., P.A.
105 E. Robinson St., Suite 201
P. O. Box 3628
Orlando, Florida 32802

INTERROGATORIES TO WITNESS BRADLEY, USPS-T-13

FGFSA/USPS-T13-40

Provide the contracted for capacity of the highway network, separately for Inter-SCF, Intra-BMC and Inter-BMC, in each of the years 1992 through 1996.

FGFSA/USPS-T-13-41

Your testimony refers to 12,846 contracts in force in 1986, and there were 14,781 in your analysis.

- a) Provide a breakdown by account type of the 1986 contracts
- b) Provide the number of contract in force each year between 1986 and 1996, with a breakdown by account type.

FGFSA/USPS-T-13-42

The TRACS data for both FY95 (MC97-2) and FY96 (R97-1) reflect a high empty average for all Intra-BMC and linter-BMC transportation service. This also was the situation in FY92 (R94-1)

- a) How has this excess (unused) capacity been reflected in the contract negotiations?
- b) Has the contracted capacity been reduced as a result of this unused capacity?
- c) If so, to what extent?

FGFSA/USPS-T-13-43

Refer to your response to FGFSA/USPS-T-13-7.

- a) Explain how the "historical experience with the contract" is recorded and what information is reflected in the records.
- b) Is the actual capacity utilized on each route recorded? If so, where?
- c) In the "forecast" which is prepared, does this reflect the average or highest peak utilization?

FGFSA/USPS-T-13-44

Refer to your response to FGFSA/USPS-T-13-8.

- a) Are the "service standard commitments" for Inter-BMC and Intra-BMC contracts those applicable to Standard A and Standard B mail? If not, please identify the service standards which are applicable.
- b) Confirm that the Postal Service does not contract for Untra-BMC and Inter-BMC transportation on the basis of the volume of mail.

FGFSA/USPS-T-13-45

Your response to FGFSA/USPS-T-13-9 refers to increases in volume on a route. Please address how the purchased capacity responds to decreased in volume.

FGFSA/USPS-T-13-46

Explain how "The cubic foot-miles in my analysis are directly related to mail volume."

FGFSA/USPS-T-13-47

For Intra-BMC contracts, is the capacity contracted for based on the volume of the outbound (out from the BMC) mail?

If the inbound volume is significantly lower than the outbound volume, does the contract provide for use of a smaller capacity on the inbound segment of the route?

FGFSA/USPS-T-13-48

Refer to your response to FGFSA/USPS-T-13-26

- a) How many times have trucks been added to expand capacity?
- b) How many time have the number of route/trips been increased?
- c) How many time have the frequency of the trips been increased?
- d) How many time have the routes been reconfigured?
- e) What actions have been taken to reduce the cubic capacity of the contract requirements? Please provide specifics.

FGFSA/USPS-T-13-49

Refer to your response to FGFSA/USPS-T-13-27.

- a) Explain how the distance between facilities influences the determination of the capacity of the vehicle for a route.
- b) Identify all factors which influence the selection of the appropriate capacity of the vehicle for a route which are equal to or greater than the volume of outbound mail for the route.
- c) How many contracts provide for one-way trips with different size trucks, in the manner you refer to in paragraph c. of your response?
- d) How many Intra-BMC contracts specified that a portion of the route be serviced with a truck of one capacity and another portion of the route serviced with a truck of a different capacity?
- e) How many other highway route contracts provide for a portion of the route to be serviced by a truck of one capacity and another portion of the route serviced with a truck of a different capacity?
- f) Identify the number of times where the volume of the outbound mail has not determined the capacity of the truck for a specific route.
- g) Where there is a large imbalance in the outbound and inbound volumes, and the capacity of the truck is determined by the outbound volume,
 - i. is the excess capacity on the inbound trip "caused" by the volume of the inbound mail?
 - ii. does the Postal Service contract for a smaller truck capacity for the inbound trip?

FGFSA/USPS-T-13-50

Do the outstanding contracts for purchased transportation as of any date establish the capacity for each route as of that date? If not, please explain fully.

FGFSA/USPS-T-13-51

Identify the number of contracts for Intra-BMC and Inter-BMC that specify one-way transportation.

FGFSA/USPS-T-13-52

Please explain how "the transportation of inbound mail is often produced in common with the transportation of outbound mail." (refer to your response c to FGFSA/USPS-T-13-30)

FGFSA/USPS-T-13-53

- a) Are Postal Service contractors on highway routes allowed to carry non-postal freight if there is available empty space over all or any portion of the route?
- b) Of the 14,781 contracts, how many permit the carrying of non-postal freight concurrently with the transport of mail?

FGFSA/USPS-T-13-54

Assume that the cost of providing two or more services is described by economists as a joint cost; i.e., the services are produced in fixed proportions that cannot be varied. What is the most economically correct procedure to allocate the joint cost between the services? Please fully explain.

FGFSA/USPS-T-13-55

If joint costs either are not or cannot be allocated to the individual services in an economically rational way, what is the economically correct way of analyzing the cost of services produced jointly?

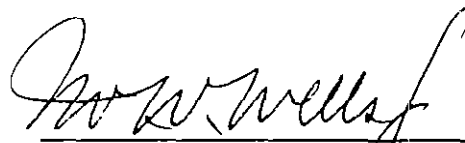
FGFSA/USPS-T-13-56

Do you agree that the cost of providing postal transportation capacity in a single vehicle from a BMC to one or more destination postal facilities and a return from those facilities to the BMC is a joint cost? If not, please fully explain.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all parties of record in this proceeding in accordance with Section 12 of the Rules of Practice and Procedure.

Dated: September 3, 1997



M. W. Wells, Jr., Attorney