

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, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
TO INTERROGATORY OF UNITED PARCEL SERVICE REDIRECTED FROM  
WITNESS BOZZO  
(UPS/USPS-T14-6 (a-b))

The United States Postal Service hereby provides its response to the following interrogatory of United Parcel Service: UPS/USPS-T14-6 (a-b), filed on November 21, 2001. This interrogatory was redirected to the Postal Service from witness Bozzo.

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking



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December 5, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE  
TO INTERROGATORIES OF UNITED PARCEL SERVICE  
(REDIRECTED FROM WITNESS BOZZO)

**UPS/USPS-T14-6.** Refer to your testimony, USPS-T-14, page 13, lines 3-4, where you state that, "Furthermore, longer-term capital input decisions necessarily precede the staffing decisions they eventually affect."

(a) Indicate the length of time that typically separates a decision to install a piece of equipment such as Small Parcel and Bundle Sorter ("SPBS") or FSM (Flat Sorting Machine)/1000 at a specific Management Operating Data System ("MODS") facility, and the actual installation of the piece of equipment. If the length of the interval varies, provide an upper and lower bound estimate of the length of the interval.

(b) Indicate when within the interval identified in part (a) a plant manager would typically be informed of the decision to install a new piece of equipment. If the point in time when the plant manager is informed of the decision varies, indicate the earliest point in time when he might be informed, and the latest point in time when he might be informed.

**RESPONSE:**

a - b. A delivery schedule is developed between the time the Board of Governors approves the equipment purchase and the issuance of the contract. Normally this is one to two weeks but may be longer if there is a lengthy bidding process or extraordinary circumstances such as a capital spending freeze. Affected plants are informed of the delivery schedule as soon as the contract is awarded. Deliveries may be completed in as little as 30 days (a software installation is the classic example), or as much as three years if a large contract and a lengthy production process are involved.

## CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

  
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Frank R. Heselton

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