

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

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POSTAL RATE DIVISION  
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS PATELUNAS TO INTERROGATORIES OF  
UNITED PARCEL SERVICE  
(UPS/USPS-T12-6-8)

The United States Postal Service hereby provides the responses of witness Patelunas to the following interrogatories of United Parcel Service: UPS/USPS-T12-6-8, filed on December 13, 2001.

Each 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:



Susan M. Duchek

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December 27, 2001

**RESPONSE OF UNITED STATES POSTAL SERVICE  
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**UPS/USPS-T12-6.** Refer to your response to interrogatory UPS/USPS-T12-1. What was the average ratio of full-time to casual employees in Postal Service mail processing facilities for FY2000 and FY2001? If the answer is anything other than 75% Full Time and 25% Casual, explain why you deviated from the system-wide average when you calculated the costs of operating the PMPC network in-house.

**Response:**

Assuming the two sentences of the question are to be taken together, it seems that the question is asking, if there are ratios other than 75:25, why wasn't another ratio used? The 75:25 ratio was used because it was in compliance with two Memorandums of Understanding signed between the Postal Service and its unions. The MOUs defined the Postal Service's labor position in its agreement to terminate the Emery contract. As such, any other ratio, for example using all mail processing facilities, is irrelevant because it could not be applied to the in-house PMPCs.

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**UPS/USPS-T12-7.** Refer to your response to interrogatory UPS/USPS-T12-1. Confirm that your estimate of supervisor hours was based on the actual supervisor hours under the outsourced Priority Mail Processing Center contract. If not confirmed, explain.

**Response:**

Confirmed.

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**UPS/USPS-T12-8.** Refer to your response to interrogatory UPS/USPS-T12-1. What is the average percent of supervisor hours to total work hours (clerk hours + supervisor hours) for all Postal Service facilities for FY2000 and FY2001. Explain any differences between the system-wide average percent of supervisor hours to total work hours and your estimate of supervisor hours based on the outsourced Priority Mail Processing Center contract.

**Response:**

As confirmed in my response to UPS/USPS-T12-7, the supervisor workhours were based on actual workhours for the year preceding the Postal Service assuming operation of the PMPCs. This information is most relevant to the in-house operation of the PMPCs because it is for those very facilities. Using any other ratio, for example, a system-wide average, would be less relevant because it would include information concerning facilities other than PMPCs. An explanation of the differences between a system-wide average ratio and a PMPC ratio would point out why anything other than the PMPC ratio would be less relevant. For instance, the PMPC ratio would be for those ten particular sites, whereas the system-wide average would be for large plants, small plants, automated plants, non-automated plants, facilities processing Priority Mail, facilities not processing Priority Mail, etc.

DECLARATION

I, Richard Patelunas, declare under penalty of perjury that the foregoing answers to interrogatories are true and correct to the best of my knowledge, information, and belief.

A handwritten signature in black ink, appearing to read "Richard Patelunas", written over a horizontal line.

Dated: 12/27/01

## 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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Susan M. Duchek

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