

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

EXPERIMENTAL RATE AND SERVICE CHANGES
TO IMPLEMENT NEGOTIATED SERVICE
AGREEMENT WITH CAPITAL ONE SERVICES,
INC.

Docket No. MC2002-2

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF AMERICAN POSTAL WORKERS UNION, AFL-CIO,
REDIRECTED FROM WITNESS PLUNKETT
(APWU/USPS-T2-9)

The United States Postal Service hereby provides its response to the following interrogatory of American Postal Workers Union, AFL-CIO: APWU/USPS-T2-9, filed on October 31, 2002, and redirected from witness Plunkett.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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November 12, 2002

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REDIRECTED FROM WITNESS PLUNKETT

APWU/USPS-T2-9. How will the costs of making the programming and regulation changes necessary to implement CSR Option 2 by February 1, 2003 be accounted for in the Postal Services' accounting system? Will they be considered an institutional cost? Will they be attributed to specific mail class? If they will be attributed to a specific mail class, how will they be attributed?

RESPONSE:

The addressing systems that support ACS, much like most of the Postal Service's longstanding data systems, undergo periodic improvements and builds. The programming changes necessary to implement CSR, Option 2, will occur regardless of what happens in this docket, and would have occurred even if the Capital One NSA had never been signed. Hence, these costs have not been analyzed for this docket. In general, however, they appear in the accounting systems within the costs of the Other Miscellaneous Supplies and Services subcomponent of Component 16.3 (Other Supplies and Services), and therefore would be expected to receive the same treatment as the other costs of that subcomponent. For a detailed description of the treatment of the costs within that subcomponent, please see Library Reference USPS-LR-J-1 in Docket No. R2001-1, the Summary Description of USPS Development of Costs by Segments and Components, FY 2000, and refer to Cost Segment 16.

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.

Kenneth N. Hollies

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