

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0006

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POSTAL RATE AND FEE CHANGES, 1997

POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

Docket No. R97-1

THE DIRECT MARKETING ASSOCIATION, INC.'S EIGHTH SET OF  
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS  
DIRECTED TO USPS WITNESS MODEN (DMA/USPS-T4-86-97)

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached eighth set of interrogatories and requests for production of documents to USPS witness Moden (DMA/USPS-T4-86-97). If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

Respectfully submitted,



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September 17, 1997

**Witness Moden (USPS-T-4)**

DMA/USPS-T4-86. Please refer to pages 5-7 of your direct testimony. Please provide the number of (i) MLOCs, (ii) Low Cost MLOCs, (iii) RBCs, (iv) DBCs, (v) CSBCs, and (vi) MPBCs being planned for deployment in FY 1997, FY 1998 and FY 1999.

DMA/USPS-T4-87. Please refer to page 9, lines 12-15, of your direct testimony in which you state there are "no major new equipment deployments [for letters] planned in the near term."

- a. Please explain why this is so.
- b. Please define "major equipment deployment." Please explain whether there are any new "minor" equipment deployments planned.
- c. Please define what you mean by "near term." Please explain whether there are any long term plans to deploy new equipment.

DMA/USPS-T4-88. Please refer to page 9, lines 26-27, of your direct testimony where you state that "[b]y the end of Fiscal Year 1998, we anticipate that there will be 154,000 routes on DPS."

- a. Please explain whether you have revised your estimate of the number of DPS routes that will exist by the end of FY 1998 since the filing of R97-1.
- b. How many DPS routes do you estimate for the end of:  
(i) FY 1999 and (ii) FY 2000.

DMA/USPS-T4-89. Please refer to page 13, lines 5-24, of your direct testimony. Please provide the number of (i) FSM 881s, (ii) FSM 881s with OCRs, (iii) FSM 1000s (iv) FSM 1000s with BCRs, and (v) FSM 1000s with HSFFs being planned for deployment in FY 1997, FY 1998 and FY 1999.

DMA/USPS-T4-90. Please refer to page 16, lines 13-16, of your direct testimony where you state that "[m]ail volume is measured for each piece handling operation by machine meter, machine printouts, actual piece counts, or, if these methods are not feasible, by weight, feet, or containers, which are then converted to pieces within MODS using national conversion factors," and to your response to DMA/USPS-T4-10.

- a. Please describe how "machine meter" and "machine printouts" measure mail volume.

- b. Please describe how mail "weight, feet, or containers" are converted to pieces using "national conversion factors."
- c. Please describe for which operations and for which types of mail volume is measured by (i) machine meter, (ii) machine printouts, (iii) actual piece counts, or (iv) use of national conversion factors.

DMA/USPS-T4-91. Please refer to page 16, lines 25-26, of your direct testimony. Please explain how MODS is currently used to "develop local staffing plans and work schedules."

DMA/USPS-T4-92. Please refer to page 19, lines 2-8, of your direct testimony.

- a. Please explain how workloads for each BMC operation use "conversion factors" to convert parcel workloads to "an equivalent parcel sorting workload" using PIRS. In responding, please explain how such conversion factors are calculated and the derivation of the data upon which the conversion factors were determined.
- b. Please explain how letter and flat workload and processing productivities are calculated at BMCs using PIRS.

DMA/USPS-T4-93. Please refer to page 19, lines 10-13, of your direct testimony in which you state that "productivities have changed significantly over the long period, FY 88 to FY 96, covered by the cost study."

- a. Please explain how "productivities have changed significantly" between FY 88 and FY 96 and provide all data supporting your response.
- b. Please describe and provide (as a library reference) the "cost study" to which you refer if you are not referring to witness Bradley's testimony.
- c. Although a review of the "major factors that affect productivity" (pages 19 through 22 of your direct testimony) indicates reasons that productivity may have declined, please explain whether the great increase in automated machinery and DPS (as detailed in Section II of your direct testimony) should lead to an overall increase in productivity.

DMA/USPS-T4-94. Please refer to page 20, lines 13-22, of your direct testimony. Please quantify the increase in OCR rejects. Please explain why, although the OCR reject rate may have grown, overall productivity should not increase because of the greater

volume of mail being processed more efficiently using barcode readers?

DMA/USPS-T4-95. Please refer to page 22, lines 16-23, of your direct testimony. Please explain why the marginal cost of mail processing activities should not differ between MODS and non-MODS offices if the complexity and the employees' familiarity with the local delivery area of non-MODS facilities are significantly different from MODS facilities.

DMA/USPS-T4-96. Please refer to your response to DMA/USPS-T4-18, subpart c, where you state that Standard A letters will be deferred before first class letters and flats are deferred if on Tour 1 an office is unable to sort all the mail in the late surge period.

- a. Is this also the case for (i) Tour 2 and (ii) Tour 3? If not, please explain your response(s) fully.
- b. Does the deferral in Tour 1 that you cited in your response to DMA/USPS-T4-18 lead to Standard A mail being sorted manually or on LSMs, rather than on OCRs or BCSs? Please explain your response fully.
- c. If your response to either part of subpart (a) is "yes," does the deferral in (i) Tour 2 or (ii) Tour 3 similarly lead to Standard A mail being sorted manually or on LSMs, rather than on OCRs or BCSs? Please explain your response fully.

DMA/USPS-T4-97. Does the Postal Service have or collect data that would allow it to determine clerk and mailhandler hours by AP by tour at MODS offices? If so, please provide it for FY 1996.

**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 Rule 12 (section 3001.12) of the Postal Rate Commission's Rules of Practice and Procedure and Rule 3 of the Commission's Special Rules of Practice in this proceeding.

  
Michael D. Bergman

September 17, 1997