

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, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE TO INTERROGATORIES OF  
THE OFFICE OF THE CONSUMER ADVOCATE  
REDIRECTED FROM WITNESS MODEN  
(OCA/USPS-T4-20(B)-(D), 21 AND 22)

The United States Postal Service hereby provides responses to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T4-20(b)-(d), 21 and 22, filed on September 5, 1997, and redirected from witness Moden.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
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September 19, 1997

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OCA/USPS-T4-20. According to page 20-2 of library reference H-1, depreciation is determined for each of the 21 mail processing equipment categories listed in Appendix F of H-1.

- a. For each of the types of equipment listed in your response to OCA/USPS-T4-1, please indicate the mail processing equipment category to which it belongs. If an equipment type does not fit precisely into one of the Appendix F categories, please indicate all categories it might be associated with or explain why it does not fit in any of the categories.
- b. For each Appendix F equipment category, please provide the number of pieces of each equipment type in that category currently installed by CAG of office.
- c. For each Appendix F equipment category, please provide the number of pieces of each equipment type in that category currently installed by type (MODS, Non-MODS, or BMC) of office.
- d. For each Appendix F equipment category, please provide the number of pieces of each equipment type in that category currently installed by CAG by type of office.

**Response:**

- a. Response provided by witness Moden.
- b. The Postal Service does not have a single information system that is capable of producing the information that you requested. Similarly, we do not have an integrated group of separate information systems that can produce the information. However, the inability to produce the requested information does not mean that we don't track where equipment is located. In fact, we employ several mechanisms, including multiple information systems to monitor where equipment is deployed. For instance, the Personal Property Accounting System (PPAS) is used to determine and record depreciation on capital equipment such as processing equipment. PPAS is the source for the depreciation costs that you referenced in OCA/USPS-T4-23.

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While PPAS is employed to provide the breakdowns on depreciation costs by CAG and facility type provided in the response to OCA/USPS-T4-23, PPAS cannot produce information on the numbers of each type of equipment by CAG or type of facility. This is because the individual records under a category such as Multi-Position Flats Sorting Machine (MPFSM) include MPFSM components or related equipment as well as MPFSMs. As a result, totaling the number of records under the MPFSM category will result in a number much larger than the amount of MPFSMs. Additional analysis or contacting the facility where the equipment is located would be needed to determine which records are specifically for MPFSMs. Another mechanism that is used to track equipment is the Automation Utilization Tracking for Operations (AUTO) system. However, AUTO, like PPAS, is unable to produce the information that you requested due to its specific limitations. First, AUTO is not up to date. The totals available in AUTO by equipment type do not match the known total deployments, particularly for equipment currently being deployed. AUTO is used to provide a general overview of where processing equipment is located. This information allows Area Offices to ascertain, with a reasonable level of certainty, how many units of each type of specific processing equipment are located at their field sites. AUTO also includes data which can be used to analyze how field sites are utilizing equipment.

In regards to providing the information you requested, AUTO does not contain data fields for CAG and/or MODS designations (or finance numbers). Each site is identified by name only, e.g. Tucson P&DC or Mid-Island NY and a nine digit ZIP

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code. (The latter item may provide a link to other data bases that have CAG and facility type (e.g. MODS, non-MODS, BMC)). Accordingly, the only information that can be extracted from AUTO, and that is relevant to your request, is a detailed list by equipment type, by facility name of where equipment is located. However, as we mentioned above, there are known discrepancies in the aggregate of these numbers and the known deployments. An additional mechanism that is also used to determine the location of processing equipment is the field requirements calls. This process is discussed in our response to OCA/USPS-T4-24.

In summary, we are unable to provide a comprehensive report that lists all pieces of processing equipment by office and by CAG and/or MODS type. If desired, it is possible that we could use AUTO to provide you with a hard copy inventory report for certain types of equipment. This report would be by area, by equipment type and would list only the facility names that had a given type of equipment and the number of units on hand. However, the report would not contain the MODS and/or CAG designation of the office and would therefore have to be cross referenced against a separate list(s) of offices with CAG and/or MODS designations in order to discover the information that has been requested. It also would need to be supplemented by the use of the deployment information contained in LR-H-244 as discussed above. Also, this report would be extremely lengthy; in fact a list of over 40,000 offices by CAG could be over 800 pages in length (assuming 50 offices per page).

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If you do not desire the hard copy reports that were mentioned above, you may still be able to determine some of the information that you have requested based on information that has been provided in response to previous interrogatories. For instance, all of the offices listed on pages 1 through 5 of Library Reference H-244 are CAG A offices. These offices are where most of our processing equipment is located. While the list is not inclusive of where all of our processing equipment is located (for instance, CSBCS machines are generally located at smaller offices that may not be CAG-A), cross-referencing that list of facilities against witness Moden's testimony would allow you to calculate a reasonable estimate of the number of pieces of equipment installed at CAG A offices. To facilitate your calculations, the Postal Service has provided a table below. The table lists the type of equipment and, where known, a reasonable estimate of the number of units located in CAG-A offices. This number is based on inventory levels reported in AUTO. Also, for equipment types which we know are predominantly located at mail processing facilities and of which witness Moden's testimony mentioned the total number of units, we have denoted "USPS-T4 Testimony" in the column labeled as "# in CAG A Offices." In these instances, you can assume that nearly all of the total inventory, as specified in witness Moden's testimony, for a given piece of equipment is located at CAG A offices. Similarly, we have also denoted responses to other interrogatories where the total number, or a detailed list, of equipment deployments has been provided.

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<b>Equipment</b>	<b># in CAG A Offices</b>
Multiline Optical Character Reader (MLOCR)	USPS-T4 Testimony
Single Line Optical Character Reader (SLOCR)	DFC/USPS-T4-8
Mail Processing Barcode Sorter (MPBCS)	USPS-T4 Testimony
Delivery Barcode Sorter (DBCS)	USPS-T4 Testimony
Carrier Sequence Barcode Sorter (CSBCS)	Not available
Remote Bar Coding System (RBCS)	USPS-T4 Testimony
Letter Mail Labeling Machine (LMLM)	330
Multi-Position Letter Sorting Machine (MPLSM)	244
Multi-Position Flats Sorting Machine (MPFSM) 881	USPS-T4 Testimony
Multi-Position Flats Sorting Machine (MPFSM) 1000	USPS-T4 Testimony
Dual Pass Rough Cull System (DPRCS)	205
Mark II Facer Cancellor/Edger Feeder	656
Advanced Facer Cancellor System (AFCS)	889
Model 15 Flats Cancellor	175
Computerized Forwarding System II (CFS II)	2943
Small Parcel and Bundle Sorter (SPBS)	189
BMC Parcel Sorter	Not available
BMC Sack Sorter	Not available
Linear Integrated Package Sorter (LIPS)	Not available
Integrated Mail Handling System (IMHS)	Not available

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- c. The information is not available. See 20(b).
- d. The information is not available. See 20(b).

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OCA/USPS-T4-21. Please refer to your response to OCA/USPS-T4-2 and to the instructions included with OCA interrogatories 1-7 to the United States Postal Service dated July 16, 1997. Those instructions stated:

If data requested are not available in the exact format or level of detail requested, any data available in (1) a substantially similar format or level of detail or (2) susceptible to being converted to the requested format and detail should be provided.

- a. Please explain whether the Postal Service maintains any list or file of equipment categories by office or finance number.
- b. Please explain whether the Postal Service maintains any list or file of equipment categories by CAG.
- c. Please confirm that the Postal Service maintains lists or files that contain the CAG of each office or finance number. If you do not confirm, please explain.
- d. Please confirm that the Postal Service maintains records of where mail processing equipment is deployed.
- e. Suppose that an MPBCS is deployed to office A in FY 1995. Will that piece of equipment be there in FY 1996 or FY 1997? If the MPBCS is moved to office B in FY 1997, does the Postal Service maintain records of the move? If so, please describe the records kept. If not, how can future equipment deployments to offices A and B be planned? Please explain.
- f. Suppose that an LSM was deployed to office A in FY 1986, and that in FY 1997 it was removed from service. Does the Postal Service maintain records of equipment removed from service for each office? If so, please describe the records kept. If not, please explain how future mail processing deployments to office A can be planned without the knowledge that some equipment had been retired.
- g. Please confirm that the Postal Service maintains records of where mail processing equipment is located. If you do not confirm, please explain how future deployment schedules can be determined.
- h. Please confirm that the Postal Service maintains a detailed inventory of assets in order to produce account 54330 depreciation of mail processing equipment. If you do not confirm, please explain how depreciation expenses can be determined without an inventory of assets.

**Response:**

- a. The PPAS data discussed in response to USPS-T4- 20(b) contains equipment depreciation cost information by finance number.



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- b. The PPAS data discussed in response to USPS-T4- 20(b) contains equipment depreciation cost information by CAG.
- c. Yes, the Postal Service has a file that contains the CAG of each office and/or finance number.
- d. See 20(b).
- e. Not necessarily, since equipment is sometimes moved between plants. The PPAS data system should track this change. See the response to USPS-T4-20(b). This information is not used for future deployments, however. On that see the response of witness Moden to USPS-T4-24.
- f. The answer is the same as the response to subpart e.
- g. See the response to USPS-T4-20(b) and witness Moden's response to USPS-T4-24.
- h. See the response to USPS-T4-20(b).

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OCA/USPS-T4-22. Please refer to your response to OCA/USPS-T4-2 and to the instructions included with OCA interrogatories 1-7 to the United States Postal Service dated July 16, 1997. Those instructions stated:

Please especially note that if you are unable to provide any of the requested documents or information, as to any of the interrogatories, please provide an explanation for each instance in which documents or information cannot be or have not been provided.

Your response to OCA/USPS-T4-2 stated that information "as specified" is not available.

- a. Please explain which specification caused the requested information to be unavailable.
- b. Is it possible to make a minor modification to the specifications so that information could become available? Please explain.
- c. Please make any changes to the specifications of the interrogatory so that you can respond with available information to a request similar to the original OCA/USPS-T4-2.

**Response:**

a.-c. See the response to USPS-T4-20(b).

**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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