

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
WITNESS DEGEN TO INTERROGATORY OF
THE OFFICE OF THE CONSUMER ADVOCATE
REDIRECTED FROM WITNESS BRADLEY
(OCA/USPS-T14-28.b)

The United States Postal Service hereby provides the response of witness Degen to the following interrogatory of the Office of the Consumer Advocate: OCA/USPS-T14-28.b, filed on September 5, 1997, and redirected from witness Bradley.

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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September 19, 1997

Response of United States Postal Service Witness Degen
to Interrogatories of the Office of the Consumer Advocate
(Redirected from Witness Bradley)

OCA/USPS-T14-28. Please refer to Table 19 ("Proxy Variabilities for Mail Processing Activities Without Recorded Piece Handlings" and Table 20 ("Proxy Variabilities for Customer Service Activities). Each table lists two different types of activities: an activity that *requires* a proxy variability, and an activity *providing* the proxy variability.

- b. For each activity providing the proxy variability, please describe in what ways that activity is (1) identical to, (2) substantially similar to, and (3) different from the activity requiring a proxy variability with which it is matched.

OCA/USPS-T14-28 Response.

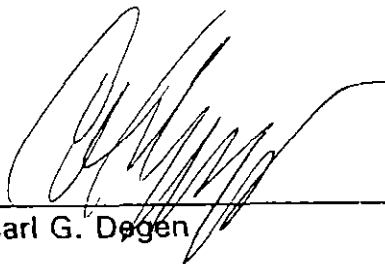
- b. The attachment to this response contains a table listing the similarities between the "receiving" and "providing" activities. The MODS operation numbers corresponding to the cost pools may be found, with brief descriptions, in LR-H-146 at I-12. Appendix A of LR-H-147 contains more detailed descriptions of certain operations. These sources can be used to determine differences between MODS operations as desired.

Activity That Requires a Proxy Variability (cost pool name)	Activity Providing the Proxy Variability	Similarity
Mechanized Sack Sorting (1Sack_m)	BMC Mechanized Sack Sorting	Similar equipment
Mechanized Parcel Sorting (mecparc)	BMC Mechanized Parcel Sorting	Similar equipment
Bulk Presort (1Bulk pr)	Opening Units	Labor description (H-147, Appendix A, p. 2) includes activities similar to opening unit—e.g., traying
Manual Sack Sorting (1Sack_h)	BMC Platform	BMC platform work has significant manual sack sorting component
Mailgram Sorting (Mailgram)	Manual Letter Sorting	Significant portion of Mailgram operation is manual casing of letter-shaped pieces
Express Mail Sorting (Express, LD48_Exp)	Manual Priority Mail Sorting	Both are manual, high dispatch priority, separate mailstream
ACDCS (1Scan)	Pouching	Mail dispatching schedules drive workload
Business Reply Mail/Postage Due (BusReply)	Manual Letter Sorting	BusReply cost pool includes manual portion of BRM work; work involves manual sorting of letters/cards
Automated Sorting at Stations and Branches (LD41)	OCR & BCS Activities	Similar equipment; Function 1 OCR and BCS cost pools include similar scheme work
Mechanized Sorting at Stations and Branches (LD42)	LSM & FSM Activities	Similar equipment; Function 1 LSM and FSM cost pools include similar scheme work

Similarity	Activity Providing the Proxy Variability	Activity That Requires a Proxy (cost pool name)
Manual sorting of letters and flats	Manual Letter and Manual Flat Activities	Manual Sorting at Stations and Branches (LD43)
Manual sorting of letters and flats	Manual Letter and Manual Flat Activities	Box Section Sorting at Stations and Branches (LD44)
Special service-related	Registry Activity	Special Service Activities at Customer Service Offices (LD48_SSV)
Misc. customer service includes low- variability quasi-administrative work; some special service work	Registry Activity	Miscellaneous Activities at Customer Service Offices (LD48_Oth)
Computer mail forwarding is a mechanized-type activity including keying	Average of Mechanized Activities	Mail Markup and Forwarding (LD49)
LD79 includes platform acceptance and related work	Platform Activity	Business Mail Entry (LD79)

DECLARATION

I, Carl G. Degen, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

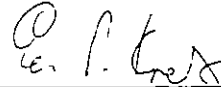


Carl G. Degen

Date: 9-18-97

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.



Eric P. Koetting

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