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POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

THE DIRECT MARKETING ASSOCIATION, INC.'S FOLLOW-UP INTERROGATORY AND REQUEST FOR PRODUCTION OF DOCUMENTS DIRECTED TO USPS WITNESS PATELUNAS (DMA/USPS-T15-9)

Pursuant to Sections 25 and 26 of the Commission's Rules of Practice, the Direct Marketing Association, Inc. hereby submits the attached follow-up interrogatory and request for production of documents to USPS witness Patelunas (DMA/USPS-T15-9). If the designated witness is unable to respond to any interrogatory, we request a response by some other qualified witness.

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Respectfully submitted,

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Dana T. Ackerly II, Esq. David L. Meyer Michael D. Bergman COVINGTON & BURLING 1201 Pennsylvania Avenue, N.W. Washington, D.C. 20004 (202) 662-5296

Counsel for the Direct Marketing Association, Inc.

September 26, 1997

Witness Patelunas (USPS-T-15)

DMA/USPS-T15-9. Please refer to your response to DMA/USPS-T15-3(a) where you state, "the nonvolume workload adjustment for Supervisors and Technicians is a piggyback on either Time and Attendance Clerks and Mailhandlers or Access and Route Time for City Carrier Street Time." Please refer also to LR-H-12, pages 437-441.

- a. Please confirm that, after the cost level adjustment of the roll forward shown on pages 437-441 of LR-H-12, (i) the cost (in thousands) for Supervision of Mail Processing and Window Service - Direct Labor and Overhead is \$1,067,397, (ii) the cost (in thousands) for Mail Processing and Window Services - Mail Processing is \$14,053,271, (iii) the cost (in thousands) for Supervision of City Delivery Carriers is \$722,514, and (iv) the cost (in thousands) for City Delivery Carriers is \$12,132,780.
- b. Please confirm that, after the cost level adjustment of the roll forward shown on pages 437-441 of LR-H-12, (i) the ratio of mail processing costs to mail processing supervision costs is 13.17 and (ii) the ratio of city delivery carrier costs to city delivery carrier supervision costs is 16.79. If not confirmed, please provide the correct figure(s).
- Please confirm that, after the nonvolume workload effect с. adjustment of the roll forward shown on pages 437-441 of LR-H-12, (i) the cost (in thousands) for Supervision of Mail Processing and Window Service - Direct Labor and Overhead is \$1,086,934, (ii) the cost (in thousands) for Mail Processing and Window Services - Mail Processing is \$14,310,963, (iii) the cost (in thousands) for Supervision of City Delivery Carriers is \$735,097, and (iv) the cost (in thousands) for City Delivery Carriers is \$12,341,000.
- d. Please confirm that, after the nonvolume workload effect adjustment of the roll forward shown on pages 437-441 of LR-H-12, (i) the ratio of mail processing costs to mail processing supervision costs is 13.17 and (ii) the ratio of city delivery carrier costs to city delivery carrier supervision costs is 16.79. If not confirmed, please provide the correct figure(s).
- e. Please confirm that, in combination, the mail volume effect and nonvolume workload effect adjustments for supervisors and technicians maintain a constant ratio (i) of mail processing supervision costs to mail processing

costs and (ii) of city delivery carrier costs to city delivery carrier supervision costs. If not confirmed, please explain fully.

- f. Please confirm that the mail volume effect and nonvolume workload effect adjustments for supervisors and technicians are piggybacks on the personnel components supervised. If not confirmed, please explain how the Postal Service develops the mail volume effect and nonvolume workload effect adjustments for supervisors and technicians.
- g. If subpart f. is confirmed, please confirm that the term "piggyback" as used in subpart f. means that if the mail volume effect and nonvolume workload effect adjustments increase the cost for personnel components supervised by X percent, then the mail volume effect and nonvolume workload effect adjustments for Supervisors and Technicians will increase Supervisor and Technicians costs for that personnel component by X percent. If not confirmed, please explain fully the use of the term "piggyback" in your response to DMA/USPS-T15-3(a).

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 26, 1997