

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

POSTAL RATE AND FEE CHANGES
PURSUANT TO PUBLIC LAW 108-18

Docket No. R2005-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS VAN-TY-SMITH
TO INTERROGATORIES OF AMERICAN POSTAL WORKERS UNION, AFL-CIO
[APWU/USPS-T29-1-4]
(July 1, 2005)

The United States Postal Service hereby provides its responses to above-listed interrogatories of the American Postal Workers Union, AFL-CIO, filed on June 17, 2005. Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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Response of Postal Service Witness Eliane Van-Ty-Smith
To Interrogatories Posed by American Postal Workers Union, AFL-CIO

APWU/USPS-T11-1

On page 3 of your testimony, you state that the beginning point for you cost calculations is C/S 3 clerk and mailhandler expenses reported by finance number and LDC. Please identify the report from which these numbers are acquired and from which postal system database that report is generated.

RESPONSE

These numbers are acquired from an extract file of Cost Segment 3 (clerk and mail handler) labor expenses by finance number and at the LDC level of operational disaggregation. The file is generated from the Pay Data System, which associates expenses with LDCs via employees' clocked hours from the time-keeping system. I summarize the file to obtain the expenses for the relevant finance number and LDC groupings shown in Tables I-1A through I-1B, and Tables I-2 and I-2i in Part I of LR-K-55.

Response of Postal Service Witness Eliane Van-Ty-Smith
To Interrogatories Posed by American Postal Workers Union, AFL-CIO

APWU/USPS-T11-2

For the data referred to above in APWU/USPS-T11-1, please explain how dollar values are assigned to each LDC. Please explain the role of the base LDC from the employees master file in this process. Please explain the role of the MODS operations codes in this process. Please explain which LDC would have priority in places where those two LDCs might not match.

RESPONSE

The dollar values are assigned to each LDC code by way of the LDC association with the MODS operation codes. The LDCs in the response to Question 1 come from the time-keeping system which uses a look-up table to map each 3-digit MODS operation code to an LDC. The employees' pay data are applied to the employees' hours from the operations the employees are clocked into, and the employees' pay dollar values for those operations are rolled up into the operations' associated LDCs through the look-up table in the time-keeping system. For example, if an employee, who is based in an LDC 11 operation, clocks 32 hours into an LDC 11 operation and 8 hours into an LDC 12 operation, the LDC 11 expenses for the finance number will include 32 hours of the employee's pay (and the pay of all other employees who clock into an LDC 11 operation) and the LDC 12 will include 8 hours of the employee's pay (and the pay of all other employees who clock into an LDC 12 operation).

Response of Postal Service Witness Eliane Van-Ty-Smith
To Interrogatories Posed by American Postal Workers Union, AFL-CIO

APWU/USPS-T11-3

On pages 10-11 of your testimony, you discuss the assignment of tallies from MODS facilities. The process seems to be to assign the tally to the cost pool to which the MODS operations code is assigned. Is that a correct understanding? However, at the end of that description is a statement about LDC groupings. Does the latter statement mean that tallies are then assigned to the LDC? If so, what is the purpose of that, since the tallies have already been associated with a specific cost pool?

RESPONSE

That is correct, tallies are assigned to the cost pool to which the MODS operations code is assigned. Through the LDC association with each MODS operation code, each tally through the tally MODS operation code can be associated with an LDC.

The LDC codes provide operational and labor utilization information at the functional level. The statement about LDC groupings on page 11 is only to indicate MODS operations can be grouped into cost pools and/or LDCs, LDCs can be grouped into functions, and that the assignment of tallies to the four C/S 3 functions uses the same groupings of LDCs as on page 3.

Response of Postal Service Witness Eliane Van-Ty-Smith
To Interrogatories Posed by American Postal Workers Union, AFL-CIO

APWU/USPS-T11-4

- a) If an employee is observed “not handling mail” but is programming an optical character reader, would that tally be allocated to the OCR cost pool? How would the type of mail for that tally be determined?
- b) If an employee is observed loading an optical character reader, is that considered a handling tally? Would the type of mail be determined by the piece in the employee’s hand at the time the reading was done?

RESPONSE

- a) For MODS facilities, the tally would be allocated to the OCR cost pool if IOCS reports for the sampled employee either a MODS OCR operation code the sampled employee is clocked into, or a selected OCR option for Question 19 if no MODS operation code is reported. The tally would be classified as a ‘not-handling’ tally and treated like any not-handling tally in the cost pool: the cost would be distributed to subclasses based on the handling tallies in the OCR cost pool.
- b) If an employee is observed loading mail into an OCR and IOCS reports in Question 20 that the employee is handling mail, then the tally would be considered a ‘handling’ tally and the type of mail would be determined by the piece in the employee’s hand at the time the reading was done. If IOCS reports that the employee is observed loading mail into an OCR, is not handling mail but mail is present at the machine (Option B of Question 20), then the tally would be distributed to the class and subclass of the nearest piece of mail that the data collector will pull from the machine.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

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