

DOCKET SECTION

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

**RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE
REDIRECTED FROM WITNESS MILLER
AND MOTION FOR LATE ACCEPTANCE
(OCA/USPS-T23-1 AND 2)**

The United States Postal Service hereby files its responses to the following interrogatories of the Office of the Consumer Advocate, dated September 3, 1997: OCA/USPS-T23-1 and 2.

Redirected from witness Miller, each interrogatory is stated verbatim and is followed by the response.

These responses were due to have been filed on September 17, 1997. Final drafts were reviewed and prepared in order to accommodate a timely filing; however, the Postal Service has no record of having ever filed them. Although the Postal Service can offer no precise explanation, undersigned counsel believes it appropriate to assume personal responsibility for this failure.

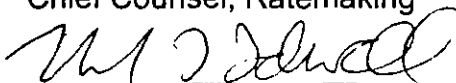
Counsel regrets this apparent oversight and apologizes for any inconvenience it may have caused. To mitigate, in some small way, any harm caused, counsel sent facsimile copies to OCA counsel yesterday.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

A handwritten signature in black ink, appearing to read "Michael T. Tidwell", written over a horizontal line.

Michael T. Tidwell

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October 2, 1997

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OCA/USPS-T23-1. Please refer to your direct testimony on page 4 where you describe the functions of the Remote Encoding Center ("REC"). In September of 1995 the General Accounting Office ("GAO") issued a report entitled "Performing Remote Barcoding In-House Costs More Than Contracting Out." A part of that report dealt with the Postal Service's decision to use contractors rather than Postal Service personnel at REC's.

- a. What is the current mix of contract versus Postal Service employees at REC's?
- b. What is the projected mix of contract versus Postal Service employees for the next three fiscal years at REC's? Please include in your discussion any relevant labor relations factors, such as agreements reached through collective bargaining. To the extent you are not aware of relevant collective bargaining issues, please refer this question to another person or to the Postal Service for an institutional response. If the projected mix is not known, why not?
- c. What is the current productivity in images processed per hour of contract versus Postal Service employees, and what was it in the eight quarters preceding the most current analysis of productivity?
- d. If documents exist describing productivity of contract versus Postal Service employees, and the documents were written or generated on or after January 1, 1996, please supply them.
- e. What is the current cost per image processed using contract versus Postal Service employees, and what was it in the eight quarters preceding the most current analysis of productivity?
- f. If documents exist describing cost per image processed using contract versus Postal Service employees, and the documents were written or generated on or after January 1, 1996, please supply them.

RESPONSE:

a. b. c. d. e. f. The current mix is 0% contract and 100% postal. There are no plans to change this mix in the next three fiscal years. Therefore, no productivities or cost per image data are provided.

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OCA/USPS-T23-2. The GAO report referenced above also states that the Postal Service is changing its mix of transitional versus career employees at the REC's. Report at 4-5.

- a. What is the current mix of transitional versus career Postal Service employees at the REC's?
- b. What is the projected mix of transitional versus career Postal Service employees at REC's for the next three fiscal years? Please include in your discussion any relevant labor relations factors, such as agreements reached through collective bargaining. To the extent you are not aware of relevant collective bargaining issues, please refer this question to another person or to the Postal Service for an institutional response. If the projected mix is not known, why not?
- c. What is the current productivity of transitional versus career Postal Service employees in images processed per hour, and what was it in the eight quarters preceding the most current analysis of productivity?
- d. If documents exist describing productivity of transitional versus career Postal Service employees, and the documents were written or generated on or after January 1, 1996, please supply them.
- e. What is the current cost per image processed using transitional versus career Postal Service employees, and what was it in the eight quarters preceding the most current analysis of productivity?
- f. If documents exist describing cost per image processed using contract versus Postal Service employees, and the documents were written or generated on or after January 1, 1996, please supply them.

RESPONSE:

- a. The cumulative year-to-date mix of career employees for Fiscal Year 97 (in terms of the percentage of total console hours keyed) is 30.12%.
- b. The projections for the next three years are to maintain a mix of 30% career workhours and 70% transitional workhours, as agreed upon with the APWU in the original RBCS Memorandum Of Understanding.

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c. d. e. f. In the RBCS reporting system, image data are only available at the aggregate level. Therefore, it is not possible to provide separate productivity and cost per image figures for transitional employees and career employees.

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 section 12 of the Rules of Practice.

A handwritten signature in black ink, appearing to read "Michael T. Tidwell", written over a horizontal line.

Michael T. Tidwell

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October 2, 1997