

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

UNITED STATES POSTAL SERVICE
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO
AMMA, DMA, MOAA, PSA and ADVO ("JOINT PARTIES") WITNESS CROWDER
PURSUANT TO P.O. RULING NO. R97-1/95
(USPS/JP-NOI-1-7)

Pursuant to P.O. Ruling No. R97-1/95, the United States Postal Service directs the following interrogatories and requests for production of documents to Joint Parties witness Crowder: USPS/JP-NOI-1-7.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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February 19, 1998

Interrogatories for Witness Crowder

USPS/JP-NOI-1. Please refer to your testimony at page 10, line 24, through page 11, line 2. You state that coverage-related load time “can be interpreted as the non-elemental load time which **includes** the fixed time incurred as a result of the need to make a load, e.g. fixed time to open and close the satchel and mail box.” (Emphasis added).

- (a) Do the words “includes the fixed time” in this excerpt indicate that, in your view, coverage-related load time is entirely fixed time? Alternatively, do these words indicate that, in your view, coverage-related load time equals fixed time plus some other time increment or increments that are not fixed? If you confirm the latter, please define these other time increments.
- (b) Within the context of the excerpt just quoted, do you view fixed time at a stop as time at a stop that is fixed with respect to volume loaded at the stop? If not, what is your definition of fixed time?

USPS/JP-NOI-2. Please again refer to your testimony at page 10, line 24 through page 11, line 2. You state that “like access time,” coverage-related load time “is variable to the same extent as stops coverage is considered variable.”

- (a) Please confirm that accrued access time satisfies the criterion of being fixed-time in the sense that it will only change as the number of actual stops changes, and that, holding coverage constant, it will not be affected by the amount or mix of volumes loaded at the existing actual stops?
- (b) If you do not confirm, do you believe that accrued access time will vary as volume loaded at existing stops varies, even if the number of these actual stops remains constant?

- (c) If you confirm, do you believe that accrued coverage-related load time should also satisfy the criterion stated in part (a)?
- (d) Regardless of whether you confirm or do not confirm part (a), do you believe that your measurement of coverage-related load time does satisfy the fixed-time criterion defined in part (a)?

USPS/JP-NOI-3. Please refer to your testimony at page 12, lines 3-4. You state that "the difference between the LTV and STS load times appears to be relatively fixed stop time included in the STS data but excluded from the LTV data." Please specify what you mean by the word "relatively."

USPS/JP-NOI-4. Please refer to table 1 of your testimony.

- (a) Please confirm that at the average FY 1996 city carrier wage rate of \$24.75, your estimate of \$273,903,000 in SDR coverage-related load time cost implies a total FY 1996 system-wide coverage-related load time of 11,066,788 hours. If you do not confirm, please provide your estimate of total FY 1996 system-wide coverage-related SDR load time.
- (b) Please confirm that at the \$24.75 wage rate, your estimate of \$428,719,000 in SDR elemental load time cost implies a system-wide total of 17,321,980 elemental load time hours. If you do not confirm, please provide your estimate of total system-wide elemental SDR load time.
- (c) Assuming your answer to both part (a) and part (b) is "confirmed," please answer the following:
 - i. Did the estimated 11,066,788 hours of coverage-related load-time constitute fixed time, or was this time amount dependent upon the amount

and mix of volume loaded at the SDR stops?

ii. What were carriers doing during these 11,066,788 hours? What activities were they performing? Please include in your description of these carrier activities an explanation of whether the time required to complete the activities was dependent upon the amount and mix of volume loaded at the SDR stops.

iii. What were carriers doing during the estimated 17,321,980 hours of elemental load time? What activities were they performing? How did these activities differ from the activities performed during the 11,066,788 hours of coverage-related SDR load time?

(d) If your answers to part (a) and or part (b), above, provided alternative measures of system-wide SDR coverage-related load time and system-wide SDR elemental load time, please substitute those alternatives for the coverage-related and elemental load time hours of 11,066,788 and 17,321,980, respectively, that are cited in parts (c)(i) through (c)(iii) of this question. After doing so, please answer the questions posed in parts (c)(i) through (c)(iii) with respect to your alternative measures of system-wide coverage-related and elemental load time hours.

USPS /JP-NOI-5. Please refer to Attachment A of your testimony at page 2, lines 4-9.

You state that:

It appears that the LTV load time definition principally encompasses the time the carrier actually handles mail, mail equipment, or customer requirements while the STS definition is broader, possibly to the extent that it may even extend to a portion of access time. Thus, the excess of STS time over LTV modeled time is likely fixed stop-related.

Please respond to the following:

- (a) Please explain what you mean by the word "principally" as used in the first sentence of the above excerpt. Specifically, does it mean that LTV load time consists mainly of time spent handling mail, mail equipment, or customer requirements, and that some small remaining portion of LTV load time consists of activities other than time spent handling mail, mail equipment, or customer requirements? If so, what are these other activities? Moreover, what are your estimates – by stop type - of the percentage of time that is spent in these other activities and the percentage of time spent in the activity of handling mail, mail equipment, or customer requirements?
- (b) In reference to your statement in the above excerpt that STS time "may even extend to a portion of access time," please answer the following.
 - i. Do you consider the entire excess of the STS measure of accrued load time over the LTV measure of accrued load time to be access time? Alternatively, if you believe some amount of the excess of STS accrued load time over LTV accrued load time is not access time, how do you define this non-access time component of the excess?
 - ii. Does any of the excess of STS accrued load time over LTV accrued load time qualify as fixed route time? If so, how much? Please explain the basis for your answer.

(c) In reference to your statement in the above excerpt that "the excess of STS time over LTV modeled time is likely fixed stop-related," please answer the following. Please clarify what you mean by "fixed stop-related." Also, if the excess of STS over LTV time is not "fixed stop-related," what else could it be? Please explain fully.

USPS/JP-NOI-6. Please refer to table 1 of your testimony where you show that \$273,903,000 out of your estimate of \$702,622,000 in LTV accrued SDR load time cost (or about 40.0%) is coverage-related cost. Also refer to Attachment A of your testimony at page 3, lines 2-4, where you state that "LTV load time, because it is more narrowly defined to include principally volume-related time, is considerably less than the STS load time...." Do you believe that your view that LTV load time is "principally volume-related time" is consistent with your table 1 result showing that 40% of LTV load time cost for SDR stops is coverage-related cost? Please explain fully.

USPS/JP-NOI-7. Please refer to Attachment A of your testimony at page 4, lines 5-9, where you state that:

the LTV definition of load time can be considered a narrower definition which encompasses **only** the carrier's direct handling of mail, mail-related equipment, and customer requirements at the load point, while the STS definition of load time not only includes the LTV-defined activities but also more general stop-related activities."

Please respond to the following:

- (a) In light of your other statement at Attachment A, page 2, lines 4-8 9 (cited in USPS/JP-NOI-5), is it really your view that the LTV definition of load time includes **only** the time spent handling mail, mail-related equipment, and customer requirements, or just **principally** this amount of time?
- (b) Please define the "more general stop-related activities" that are included in the STS definition of load time.

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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