

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, DC 20268-0001

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Postal Rate and Fee Changes

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Docket No. R2006-1

FIRST SET OF INTERROGATORIES OF TIME WARNER INC.  
TO UNITED STATES POSTAL SERVICE WITNESS VAN-TY-SMITH  
(TW/USPS-T11-1-6)  
(June 1, 2006)

Pursuant to sections 25, 26 and 27 of the rules of practice, Time Warner Inc. directs the following interrogatory to United States Postal Service witness Van-Ty-Smith (USPS-T-11).

If witness Van-Ty-Smith is incapable of providing an answer to any question, it is requested that an answer be provided by the Postal Service as an institution or by another person capable of providing an answer.

Respectfully submitted,

s/ \_\_\_\_\_  
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**FIRST SET OF INTERROGATORIES TO WITNESS VAN-TY-SMITH (USPS-T-11)**

TW/USPS-T11-1 Please refer to Table I-2B in LR-L-55, which shows MODS hours (excluding BMC, ISC hours) for each MODS number, with MODS numbers arranged according to LDC grouping.

- a. Please confirm that the table contains all MODS numbers used for mail processing activities. If not confirmed, what other numbers are used and what do they represent?
- b. For all MODS numbers where MODS measures volumes, please provide the first handling pieces, total pieces handled and total pieces fed, corresponding to the MODS hours shown in Table I-2B. Please provide this information in a spreadsheet format compatible with the format used for Table I-2B.
- c. Please provide, in a spreadsheet format, a list of all MODS numbers used in BMC's during FY2005, along with BMC MODS hours recorded in FY2005 and, where applicable, the corresponding measures of first handling pieces, total pieces handled and total pieces fed.

TW/USPS-T11-2 You say in Part I.A of LR-L-55 about the development of cost pools for IOCS data that:

“First, clerk and mailhandler costs are separated into three facility groups, BMCs, MODS 1&2, and non-MODS offices (see *ytdamt*, Table I – 1A), based on finance numbers.”

LR-L-9 includes the file PRCFLAT05.DAT, which is a flat file version of the IOCS data. It is explained (at Page H-3 of the LR-L-9 documentation) that in creating this file, the contents of field F2 (finance number) were recoded.

- a. Please provide a list of the recoded finance numbers, as they appear in PRCFLAT05.DAT (as opposed to the real finance numbers), that represent the BMCs. Please identify separately the finance number for the BMC that you say has been moved to the ISC cost pool.
- b. Please provide, in a spreadsheet, a list of the recoded finance numbers that correspond to MODS 1&2 offices, as those finance numbers are written in PRCFLAT05.DAT.
- c. Please provide a list of the recoded finance numbers, as written in PRCFLAT05.DAT, that correspond to ISC facilities.

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- a. Do stations and branches of a MODS 1&2 office normally use the same finance number as the main office? If there are exceptions, please explain.
- b. Do annexes associated with a MODS 1&2 facility normally use the same finance number as the main office? If there are exceptions, please explain.
- c. Are all MODS 1&2 offices “plants”, as you use the term? If no, do you still group them with the “plants” in your cost distribution methodology? Please provide a list of any MODS 1&2 offices that are not “plants.”

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- a. If the first character in field F1 on a given clerk and mailhandler tally is ‘1’, does that mean that the tally is from either a MODS 1&2, BMC or ISC facility? If no, please explain what it does mean. Please explain also if your methodology makes any use of the first character in Field F1.
- b. If the answer to Question 18A1 in a given tally is ‘A’ (BMC), does that mean that the tally belongs to the BMC group as you define it? If no, why not?
- c. If the answer to Question 18A1 in a given tally is ‘B’ (P&DC/P&DF/Mail Processing Annex/Priority/DDC/AMC/AMF/HASP), does that mean that the tally belongs in the “plants” group as you define it? If no, why not?
- d. If the answer to Question 18A1 is ‘C’ (International Service Center/Outbound International Gateway), does that mean the tally belongs in the ISC cost pool as you define it? If no, why not?
- e. If the answer to Question 18A1 is ‘D’, does that mean the tally belongs in the Station & Branches/NonMODS group as you define it? If no, why not?
- f. If the answer to Question 18A2 on a given tally indicates that the sampled employee works at an annex, does that in any way affect the way you treat the costs represented by that tally in your cost distribution methodology? If yes, please explain how you use that information.

TW/USPS-T11-5 Please answer the following regarding your use of the answers to Question 18B.

- a. If the answer to Question 18B on a given tally is ‘H’, does your methodology in all cases treat the costs associated with that tally

as Window Service (Segment 3.2) costs? If no, please explain all exceptions.

- b. If the answer to Question 18B on a given tally is 'I', does your methodology in all cases treat the costs associated with that tally as Administrative (Segment 3.3) costs? If no, please explain all exceptions.
- c. If the answer to Question 18B on a given tally is one of the letters A through F, does your methodology in all cases treat the costs associated with that tally as Mail Processing (Segment 3.1) costs? If no, please explain all exceptions.

TW/USPS-T11-6 Table 3 in your testimony provides a breakdown of attributed costs per subclass within each mail processing cost pool. Please provide a corresponding breakdown, per cost pool and in a similar spreadsheet format, of the pool costs by all direct, mixed mail and "not-handling" activity codes, before the distribution of mixed mail and "not-handling" costs to direct codes.