

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0000

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF
UNITED PARCEL SERVICE
REDIRECTED FROM WITNESS ALEXANDROVICH
(UPS/USPS-T5-17-20)

The United States Postal Service hereby provides responses to the following interrogatories of United Parcel Service: UPS/USPS-T5-17-20, filed on September 17, 1997, and redirected from witness Alexandrovich.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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October 1, 1997

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UPS/USPS-T5-17. With reference to PCR-21 (Intra-Alaska and Intra-Hawaii Air Transportation Studies), the source for workpaper 14.0.2, please provide the following:

- (a) A discussion on the reliability of the studies and specifically the reliability of all input data and the resulting distribution keys;
- (b) A table of airport codes and airport names;
- (c) A description of how flights with more than two legs are accounted for.

Response to UPS/USPS-T5-17:

a) For both the Alaska and Hawaii studies, the frame data comes from the Air Contract Support System (ACSS), a management information system used by USPS to make payments to air carriers. The input sample data is recorded by trained Data Collection Technicians (DCT's) and the test structure is modeled after a TRACS air test, a familiar testing procedure for the DCT's. The Anchorage Bypass data comes from a census of all Anchorage bypass operations for AP's 5 and 6. Finally, all collected input data goes through multiple validation processes in programs AKEDIT.SAS (LR-PCR-21, p. 60) and HIEDIT.SAS (LR-PCR-21, p. 241). The precision of the resulting distribution keys is shown in the variance estimates presented on p. 169 (Alaska) and p. 292 (Hawaii).

b) The Alaska and Hawaii air transportation studies do not use complete airport names, only airport codes. In both the Alaska and Hawaii studies, all origin and destination codes have been encrypted, in a manner not affecting the outcome of the programs, to allow intervenors to recreate the results without compromising

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commercially sensitive information. The encrypted airport codes included in the Alaska frame are AFZ, AJC, AJJ, ANK, ASJ, BAM, BBF, BJP, BNC, BNI, BTS, BVD, CEE, CFB, CNZ, CQG, CVC, DAD, DBT, DFA, DGD, DGU, DLE, DLV, DMU, DUV, DYA, DZN, EGM, EQT, EQV, EUJ, EVI, FAZ, FBJ, FBP, FCA, FEF, FEO, FFC, FFD, FFM, FFQ, FGF, FGK, FHQ, FIV, FIZ, FJA, FJG, FJU, FKF, FKG, FKJ, FKX, FLF, FLM, FMF, FOQ, FQS, FQV, FSA, FSF, FTB, FUT, FVE, FVG, FVK, FVV, FXY, FYA, FYG, FYI, FYZ, FZE, FZH, FZV, FZZ, GCA, GFC, GGV, GMC, GMV, GMY, GTS, GVE, IQF, ISS, IWP, JBE, JFC, JFS, JGF, JGZ, JKQ, JQV, JVJ, JVQ, JVR, JZJ, KAA, KAH, KFF, KGQ, KJF, KJV, KKJ, KKY, KNE, KQQ, KTB, KTF, KUG, KVF, LQF, MEA, MGF, NAL, NKA, NTY, NUD, NWI, QAV, QCG, QEG, QFA, QFC, QFF, QFG, QFY, QGC, QGI, QGZ, QJF, QJJ, QMF, QNZ, QSJ, QWF, QWH, RGM, SEO, SGQ, SOC, SQQ, SSF, STF, SVC, SVI, SWQ, TBM, TGJ, TJT, TLM, TVL, TVV, TZE, UBI, UCJ, UDD, UDE, UDO, UEL, UFF, UGY, UIQ, UIU, UJE, UNI, UOH, UOY, UTF, UVH, UWY, UZR, UZT, UZZ, VIW, VTQ, WMJ, WNE, WVB, WVE, XLM, XQC, XQF, XVJ, YCP, YCY, YDB, YET, YFQ, YHU, YJD, YJM, YJQ, YJW, YSZ, YTV, YUE, YWA, YYI, YZQ, ZCF, ZDM, ZEQ, ZFW, ZLX, ZST, ZVY, ZWA, and ZWI. The encrypted airport codes included in the Hawaii frame are BEE, CJB, DGV, FBQ, TFF, TMS, VCD, VGL, and VMY.

c) It is my understanding that flights with more than two legs are not part of the Alaska or Hawaii air transportation operational structure.

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UPS/USPS-T5-18. With reference to PCR-21, page 4, IV. B.2. please confirm that EXPFRAME.TXT (cited at page 60) contains data on all intra-Alaska Flights for APs 5 and 6 of FY 1996 and not just those fights with at least one leg originating or destinating at one of the four test facilities. Please explain any nonconfirmation.

Response to UPS/USPS-T5-18:

Not confirmed. The file EXPFRAME.TXT contains data only for those flights with one leg originating or destinating at one of the four test airports. However, since the four test airports represent the only processing facilities in Alaska, the difference between the frame and the universe is insignificant.

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UPS/USPS-T5-19. With reference to PCR-21, pages 115-117, please confirm the following:

- (a) Subject to the payment frame reorganization described at page 117, a record with an empty FAC_B field represents a one-leg flight wherein the origination airport is contained in the FAC_A field and the final destination is contained in the FINLDEST field.
- (b) With reference to (a), the sum of the WEIGHT field for all records with the same FAC_A and FINLDEST fields represents the total weight of mail transported via air transportation between each respective origin-destination pair during APs 5 and 6.
- (c) With reference to (a), the sum of the AMOUNT field for all records with the same FAC_A and FINLDEST fields represents the total cost of air transportation costs (linehaul and terminal handling) relating to all mail transported via air between each respective origin-destination pair during APs 5 and 6.
- (d) Subject to the payment frame reorganization described at page 117, if the LEG_IND variable equals 1, then the MILES variable should be the same for each identical origination-destination pair as reflected by the FAC_A and FAC_B variables where the FAC_B variable is not blank. Please explain any nonconfirmation.
- (e) Subject to the payment frame reorganization described at page 117, if the LEG_IND variable equals 2, then the miles variable should be the same for each identical origination-destination pair as reflected by the FAC_B and FINLDEST variables where the FAC_B variable is not blank. Please explain any nonconfirmation.

Response to UPS/USPS-T5-19:

- a) Confirmed.
- b) b) Not confirmed. Summing the weight field for all records in the reorganized frame with the same FAC_A and FINLDEST fields would result in the double counting of

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weight traveling on two-leg flights. Two leg flights have two records, one for each leg. Each record contains the weight of the shipment.

c) Confirmed. Note that when summing dollar amounts the double counting problem discussed in response to part (b) of this interrogatory does not pertain since the amount due is particular to each leg of the flight whereas the weight flown is repeated on the record for the second leg.

d) Confirmed.

e) Confirmed.

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UPS/USPS-T5-20. With reference to PCR-21, pp. 62 and 115, please confirm the following:

- (a) TOTWT represents total pounds of bypass mail transported via air transportation in APs 5 and 6 FY 96.
- (b) The WEIGHT variable in EXPFRAME.TXT includes all bypass volume (in pounds) transported via air in APs 5 and 6 of FY 96.
- (c) Please explain any nonconfirmation.

Response to UPS/USPS-T5-20:

- a) Confirmed, except as discussed in (c).
- b) Confirmed, except as discussed in (c).
- c) Clarification of (a): In the BYPASS.TXT file described on p. 62 , the TOTWT variable is the total weight for the particular Anchorage bypass shipment reflected by each record. It is not the total pounds of all bypass mail flown in APs 5 and 6 of FY 96. The BYPASS.TXT file contains data for 3,171 Anchorage bypass shipments. Of these shipments, 301 occurred outside of APs 5 and 6 of FY 96 (See LR-PCR-21, program execution log of AKEDITS.SAS, p. 94, lines 822-833). Summing the TOTWT variable across the remaining 2,870 records would represent the total pounds of Anchorage bypass shipments during APs 5 and 6 of FY 96. Clarification of (b): In the description of EXPFRAME.TXT on p. 115, the WEIGHT variable does include both regularly staged mail and bypass volume in pounds. However, the weight is for the particular movement reflected by each record. As above in (a), the WEIGHT variable must be summed across all movements (with care to avoid double counting the weight on second-leg

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records), to equal the total weight of all Intra-Alaska air dispatches (with at least one leg originating or destinating in Anchorage, Fairbanks, Juneau, or Ketchikan), including Anchorage bypass shipments, transported in APs 5 and 6 of FY 96.

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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October 1, 1997