

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

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

SPECIAL SERVICES REFORM, 1996

Docket No. MC96-3

RESPONSE OF UNITED STATES POSTAL SERVICE  
TO INTERROGATORIES OF  
THE OFFICE OF THE CONSUMER ADVOCATE  
(OCA/USPS-58-61 AND 63-64)

The United States Postal Service hereby provides responses to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-58-61 and 63-64, filed on August 28, 1996. Objections to interrogatories OCA/USPS-57 and 62 were filed on September 9, 1996.


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

Respectfully submitted,

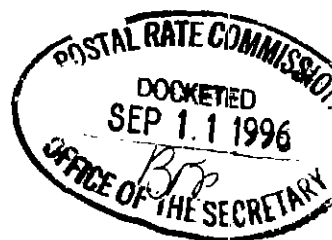
UNITED STATES POSTAL SERVICE

By its attorneys:

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OCA/USPS-58. Please refer to the attachment to the response to OCA/USPS-21c. This response discusses the effects on weighting of differential employee sampling rates within cost pool. There was no mention of differential sampling rates within a cost pool in the table of employee sampling rates provided in response to OCA/USPS-T5-13b.

- a. Please provide complete sample design documentation for the IOCS that defines and describes all sampling rates used within each cost pool.
- b. Please define the substrata or other subparts of each stratum or cost pool sampled at each of the possible employee sampling rates within that stratum or cost pool.

OCA/USPS-58 Response:

- a. The table in the attachment lists in columns (a) and (b) the CAG by CRAFT cost pools used for dollar weighting, and in columns (c) through (e) the employee sampling rates used within each cost pool. The CAG by CRAFT cost pools in columns (a) and (b) are those exhibited in the attachment to the response to OCA/USPS-53. Columns (c) through (d) provide the employee sampling rates discussed in the attachment to the response to OCA/USPS-21c. Column (c) shows the basic employee sampling rates. Columns (d) and (e) show other sampling rates used within each cost pool.
- b. The CAG by CRAFT strata to which the basic employee sampling rates in column (c) apply are the same as those provided in response to OCA/USPS-T5.13b and at TR. 1/54 of Docket No. R94-1, June 1, 1994. For dollar weighting, CAG A/B is further subdivided into three cost pools: BMCs, "Large" offices, and "Other" A/B offices; clerks and carriers are further subdivided each into two cost pools: full-time regular, and

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other.

Column (d) sampling rates apply to clerks and mailhandlers in 19 finance numbers in CAG A/B cost pools. Each finance number is stratified into two groups: the first includes pay locations shown historically by IOCS to have concentrated international activities, and the second includes the remaining pay locations. The higher sampling rates in the first group (.50 or .12, or .09) is compensated by a lower rate in the second group (.02) to balance out data collection burden within a site.

There were 18 other finance numbers to which the sampling rates in column (e) were applied instead of the basic sampling rates in column (c). Column (e) includes sampling rates of CAG cost pools where those finance numbers were included at sample selection time, which were different from the CAG cost pools they were realigned with for dollar weighting.

Attachment to OCA/USPS-58 Response  
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CAG /Craft Cost Pools		Employee Sampling Rates		
(a)	(b)	(c)	(d)	(e)
CAG Cost Pool	Craft Cost Pool	All offices, except those in Columns (d) & (e)	Offices with International Activities	CAG-Realigned Offices
<b>CAG A/B</b>				
BMCs	Clerks, Full-Time Regular	.03	.12, .02	
	Clerks, Other	.03	.12, .02	
	Mailhandlers	.03	.12, .02	
	City Carriers, Full-Time Regular	.03		
	City Carriers, Other	.03		
	Special Delivery Messengers	.03		
	Supervisors, Technical Staff	.04		
IOCS CAG A ("Large" offices)	Clerks, Full-Time Regular	.03	.50, .02	.06
	Clerks, Other	.03	.50, .02	.06
	Mailhandlers	.03	.50, .02	.06
	City Carriers, Full-Time Regular	.03		.06
	City Carriers, Other	.03		.06
	Special Delivery Messengers	.03		.06
	Supervisors, Technical Staff	.04		.09
IOCS CAG B ("Other" A/B)	Clerks, Full-Time Regular	.03	.50, .12, .09, .02	.06
	Clerks, Other	.03	.50, .12, .09, .02	.06
	Mailhandlers	.03	.50, .12, .09, .02	.06
	City Carriers, Full-Time Regular	.03		.06
	City Carriers, Other	.03		.06
	Special Delivery Messengers	.03		.06
	Supervisors, Technical Staff	.04		.09

Attachment to OCA/USPS-53 Response  
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CAG /Craft Cost Pools		Employee Sampling Rates		
(a) CAG Cost Pool	(b) Craft Cost Pool	(c) All offices, except those in Columns (d) & (e)	(d) Offices with International Activities	(e) CAG- Realigned Offices
CAG C	Clerks, Full-Time Regular	.06		
	Clerks , Other	.06		
	Mailhandlers	.06		
	City Carriers, Full-Time Regular	.06		
	City Carriers, Other	.06		
	Special Delivery Messengers	.06		
	Supervisors, Technical Staff	.09		
CAG D	Clerks, Full-Time Regular	.13		.06 , .24
	Clerks , Other	.13		.06 , .24
	Mailhandlers	.13		.06 , .24
	City Carriers, Full-Time Regular	.13		.06 , .24
	City Carriers, Other	.13		.06 , .24
	Special Delivery Messengers	.13		.06 , .24
	Supervisors, Technical Staff	.10		.09 , .16
CAG E	Clerks, Full-Time Regular	.24		.13
	Clerks , Other	.24		.13
	Mailhandlers	.24		.13
	City Carriers, Full-Time Regular	.24		.13
	City Carriers, Other	.24		.13
	Special Delivery Messengers	.24		.13
	Supervisors, Technical Staff	.16		.10
CAG F	Clerks, Full-Time Regular	.49		.24
	Clerks , Other	.49		.24
	Mailhandlers	.49		.24
	City Carriers, Full-Time Regular	.49		.24
	City Carriers, Other	.49		.24
	Special Delivery Messengers	.49		.24
	Supervisors, Technical Staff	.36		.16

CAG /Craft Cost Pools		Employee Sampling Rates		
(a) CAG Cost Pool	(b) Craft Cost Pool	(c) All offices, except those in Columns (d) & (e)	(d) Offices with International Activities	(e) CAG- Realigned Offices
CAG G	Clerks, Full-Time Regular	.50		
	Clerks , Other	.50		
	Mailhandlers	.50		
	City Carriers, Full-Time Regular	.50		
	City Carriers, Other	.50		
	Special Delivery Messengers	.50		
	Supervisors, Technical Staff	.50		
CAG H	Clerks, Full-Time Regular	.50		
	Clerks , Other	.50		
	Mailhandlers	.50		
	City Carriers, Full-Time Regular	.50		
	City Carriers, Other	.50		
	Special Delivery Messengers	.50		
	Supervisors, Technical Staff	.50		
CAG J	Clerks, Full-Time Regular	.50		
	Clerks , Other	.50		
	Mailhandlers	.50		
	City Carriers, Full-Time Regular	.50		
	City Carriers, Other	.50		
	Special Delivery Messengers	.50		
	Supervisors, Technical Staff	.50		
CAG K	Clerks, Full-Time Regular	.50		
	Clerks , Other	.50		

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OCA/USPS-59. Please refer to SSR-90, page 17. This states the assumptions relied on for producing IOCS estimates. The first assumption states, "At the first stage of selection, the method of estimation assumes that within CAGs C through J, the sample of offices in each CAG constitutes an equal probability sample." Are there any different assumptions regarding the selection of finance numbers for the certainty strata? Please explain.

OCA/USPS-59 Response:

CAG A/B is subdivided into three cost pools: BMCs, IOCS CAG A ("large" offices), and IOCS CAG B ("other" A/B offices) (see response to OCA/USPS-58). The first two cost pools can be considered certainty strata (and consequently equal probability samples) in that all BMCs and a panel of designated "large" offices are included, as they have always been, in the IOCS sample.

Different assumptions must be made for the third cost pool which no longer includes all remaining CAG A/B offices. Since the sample mail processing offices in this pool represent all mail processing offices at a rate different from the sample customer service offices (see response to OCA/USPS-T5-13c), a cost-weighting adjustment was therefore applied (see response to OCA/USPS-T5-5).

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OCA/USPS-60. Please refer to the response to OCA/USPS-T5-13. In attachments 1 and 2, sample design information was provided for CAGs A/B combined.

- a. Please break out the "A/B" row of attachment 1 to show the figures for CAG A and CAG B separately.
- b. Please break out the "A/B" column of attachment 2 to show the figures for CAG A and CAG B separately.

OCA/USPS-60 Response:

- a. The break out of the CAG A/B is as follows:

IOCS CAG A BMCs	21
IOCS CAG A "Large" Offices	84
IOCS CAG B "Other" Offices	399

- b. See Attachment.



FISCAL YEAR 1995 - UNWEIGHTED TALLIES  
AFTER ITEM DISTRIBUTION

NOTE: BFA INCLUDES NON-SCHEDULED, LEAVE,  
SAMPLES NOT RECEIVED, AT LUNCH, ETC.

TABLE OF CRAFTX BY CAG

CRAFTX CAG

Frequency	A	A BMC	B	C	D	E	F	G	H	J	K	Total
SUPERVISOR	11510	2034	16943	5860	808	720	378	93	5	0	0	38351
SUPERVISOR BFA	7672	1193	9679	3477	402	397	182	16	1	0	1	23020
CLERK-REG	52444	5272	79878	17229	4361	3805	1625	401	91	19	0	165125
CLERK-REG BFA	53076	4680	67070	12550	3077	2716	1331	355	119	78	39	145091
CLERK-SUB	8756	1258	17484	3047	1476	1997	1641	981	650	242	81	37613
CLERK-SUB BFA	13538	1752	20374	2773	1091	1689	1586	1052	754	598	191	45398
MAILHANDLER	15166	8425	23792	1005	168	9	0	0	0	0	0	48565
MAILHANDLER BFA	17023	8746	21410	754	127	3	0	0	0	0	0	48063
CARRIER-REG	39598	0	52623	39451	9196	8957	3014	834	41	0	0	153714
CARRIER-REG BFA	26059	0	29264	21654	4917	5103	1907	481	11	0	0	89396
CARRIER-SUB	6776	0	8911	6853	2058	2234	502	5	0	0	0	28350
CARRIER-SUB BFA	4897	1	5106	3803	1089	1254	757	363	3	0	0	17273
SP.DELV.MSGR.	596	0	774	346	29	12	2	0	0	0	0	1759
SP.DELV.MSGR. BFA	472	0	430	141	0	0	0	0	0	0	0	1043
Total	257583	33361	353761	118943	28799	28896	13411	5078	1680	937	312	842761

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OCA/USPS-61. A review of SSR-82 indicates that program and data files for TRACS Highway and Rail appear to be limited to the fourth quarter of FY 95.

- a. Are the PQ495 files actually cumulative through the fourth quarter? Please explain.
- b. Are the PQ495 programs simply illustrative of the programs for the other quarters in FY 1995? Please explain.
- c. Are the data files for the first three quarters of TRACS Highway and Rail systems provided in an MC96-3 library reference? If so, please specify which one.
- d. Are data files for the first three quarters of the TRACS Highway and Rail systems used for FY 1995 transportation cost distribution? If not, please explain.

OCA/USPS-61 Response.

- a. No. Each quarterly execution of the TRACS system produces independent (not cumulative) quarterly results using separate quarterly (not cumulative) data.
- b. Yes. The PQ495 programs illustrate the exact processes and methodologies also employed in PQ195, PQ295, and PQ395. Of course, hard-coded edit corrections of keypunching errors will vary quarterly.
- c. No.
- d. Yes.

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OCA/USPS-63. Please list all changes in the TRACS sample design and estimation methodology between FYs 1993 and 1995 for each component of the TRACS system. Please explain the reason for each change implemented. This should include:

- a. Changes in stratum sample size for each stage of sampling.
- b. Changes in stratum universe size for each stage of sampling.
- c. Changes in data collected by the system.
- d. Changes in data collection instructions or manuals.
- e. Changes in the editing or coding of data.
- f. Changes in the weighting methodology (provide old and new weighting formulas, if applicable).
- g. Changes in estimation methodology, and use of estimates for costing.
- h. Changes in variance estimation methodology (provide old and new variance formulas, if applicable).

OCA/USPS-63 Response.

- a. Sample sizes have not been changed in the primary sampling units or secondary sampling units. However, cost stratification in the highway, freight rail, and air sample has been removed beginning in PQ1, FY95. The reason for the removal of cost stratification and replacing it with district stratification was due to the desire to achieve more constant

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sampling from quarter to quarter for a given district. The reorganization resulted in fewer data collection technicians. Cost stratification caused fluctuating schedules across quarters, causing difficulty in planning for data collection.

- b. The universe size for TRACS changes as the various transportation networks are changed and this varies from year to year and quarter to quarter. However, no changes adding a sub-component (i.e. intra-SCF) or excluding primary sampling units or secondary sampling units have been made.
- c. See OCA/USPS-39(2) Response for the mail classes, subclasses, and test classes added to TRACS.
- d. Due to the addition of the mailcode for walk-sequenced mail, instructions were added on how to sample a walk-sequenced tray of mail.
- e. No changes have been made.
- f. Since cost stratification was removed, costs are no longer weighted by the total cost of each cost stratum.
- g. No changes have been made.
- h. Other than the removal of cost stratification, no changes have been made. Please refer to USPS LR-SSR-143 for the variance formulas.

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OCA/USPS-64. Please refer to the January 1995 Handbook F-45 (SSR-12), pages v-vii. This section of the F-45 lists a summary of changes made to the CODES/IOCS software.

- a. This edition of Handbook F-45 is dated January 1995. Does this handbook cover the entire FY 1995 data collection year? If not, please provide all other editions of this handbook that are needed to cover the FY 1995 data collection year.
- b. How often is Handbook F-45 updated? What was the date of the most recent edition of Handbook F-45 prior to January 1995?
- c. Do the changes listed on pages v-vii cover all changes implemented since the FY 1993 F-45 instructions? If not, please provide additional lists of changes necessary to document all changes implemented since the FY 1993 F-45 instructions.

OCA/USPS-64 Response:

- a. No, the handbook does not cover the entire FY 1995 data collection year. There were no other editions of this handbook to cover the entire FY 1995 data collection year. Changes implemented during FY 1995 are covered in c. below.
- b. The Handbook is updated to cover substantial system changes. The most recent edition of Handbook F-45 prior to January 1995 is September 1991.
- c. No.

The FY 1994 changes listed in the manual, but not on pages v-vii include:

- Questions related to foreign mail (endorsements, markings etc...) . see chapter 15
- If 23C MARKINGS was marked Printed Matter, there was a new pop-up

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requesting the type (Catalogs, Telephone Directories or Other Printed Matter) as described on page 113.

-- DBMC Parcel Post / 4C DBMC was added as an option under Question 23C MARKINGS as described on page 112-113.

The additional FY 1995 changes not listed in the manual are:

- Walk Sequence was added as an option under 23C MARKINGS.
- Not Handling Mail on Automated Equipment was added to Question 20 Directional Statement.
- Mail classes are identified in Bundles, Letter and Flat Trays by applying the Top Piece Rule.

**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.

A handwritten signature in black ink, appearing to read "Susan M. Duchek", written over a horizontal line.

Susan M. Duchek

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September 11, 1996