BEFORE THE

POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000 **Docket No. R2000-1**

DOUGLAS F. CARLSON
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS LINDA A. KINGSLEY
(DFC/USPS-T10-1–10)

January 29, 2000

Pursuant to sections 25 and 26 of the *Rules of Practice*, I hereby submit interrogatories to United States Postal Service witness Linda A. Kingsley.

If the witness is unable to provide a complete, responsive answer to a question, I request that the witness redirect the question to a witness who can provide a complete, responsive answer. In the alternative, I request that the question be redirected to the Postal Service for an institutional response.

The instructions contained in my interrogatories to witness Mayo (DFC/USPS-T39-1–9) are incorporated herein by reference.

Respectfully submitted,

Douglas F. Carlson

DOUGLAS F. CARLSON

Dated: January 29, 2000

DFC/USPS-T10-1. Please refer to your testimony at page 2, lines 24-26.

a. Please confirm that P&DC managers prefer to receive collection mail from stations, branches, AO's, and collection runs as early in the day as possible. If you do not confirm, please explain.

b. Please explain and provide copies of all Postal Service policies that exist to set a target for a specific percentage of the day's collection mail to be received at the P&DC by a particular hour or cancelled by a particular hour.

DFC/USPS-T10-2. Please refer to your testimony at page 3, lines 22-24.

a. Please explain why it is more efficient to send OCR-readable pieces to the OCR, rather than to have the AFCS lift the images and process the images through the RBCS system.

b. Please confirm that some P&DC's regularly run their AFCS machines in the "lift everything" mode for a significant portion of their run time. If you do not confirm, please explain the basis for your understanding.

c. Please explain why some P&DC's regularly run their AFCS machines in the "lift everything" mode for a significant portion of their run time given that this mode is, according to your testimony, less efficient than directing OCR-readable mail to OCR's for processing.

d. Does your use of "currently" in line 23 suggest that the relative efficiencies may change in the near future? Please explain.

DFC/USPS-T10-3. Please refer to your testimony at page 3, lines 28-29 and page 4, lines 1-3.

a. Please provide the locations of the seven remaining LSM's and specify whether each LSM is an MPLSM or an SPLSM.

b. Please explain why the facilities that use these LSM's still use them while most other facilities no longer use LSM's.

c. Has use of manual sorting instead of MPLSM sorting proven to reduce Postal Service costs for mail that the automation is unable to process? Please explain.

d. Regarding your statement that removal of letter mechanization equipment has improved service, please explain why manual processing of automation reject mail provides better service than LSM processing.

e. Please confirm that LSM processing was faster than manual processing and that automation reject mail receives, on the whole, slower delivery service than this mail received when it was processed on LSM's. If you do not confirm, please explain the basis for your answer.

DFC/USPS-T10-4. Please provide the locations of the 101 Low-Cost MLOCR's.

DFC/USPS-T10-5. Are any SLOCR's still in service? If yes, please identify the locations.

DFC/USPS-T10-6.

a. Please provide a list showing the REC to which each P&DC, P&DF, or other processing facility sends its RBCS images.

b. Please specify the expected closing date of the REC's that are scheduled to close and indicate the facility to which the client sites of those REC's will send their images after those REC's close.

DFC/USPS-T10-7. At how many different sites are CSBCS machines deployed?

DFC/USPS-T10-8. Please refer to your testimony at page 7, lines 21-28.

a. Please confirm that the efforts to divert certified mail from the DPS mail stream to manual operations have the side effect of delaying delivery of certified mail compared to the speed of service that this mail would receive if it were non-certified First-Class Mail capable of being sorted by DPS. If you do not confirm, please explain why diversion of this mail to manual

operations would not tend to cause some delays that would not occur if the letters were non-certified letters capable of being sorted by DPS.

b. At which point(s) in the processing of certified letters, from collection to delivery and all points in between, does the Postal Service try to divert certified letters to manual processing?

c. At which point(s) in the processing of certified letters is/are a plurality or majority of the certified letters that are diverted to manual operations diverted? (For example, are most of the certified letters that are diverted to manual operations diverted at the originating processing plant?)

d. Please explain any and all steps that the Postal Service takes to remove certified flats from the machinable-flats mail stream.

e. Which percentage of otherwise-machinable certified letters and flats are processed manually?

f. Which percentage of the total processing costs of certified letters and flats corresponds to costs that would be avoided if these letters and flats were machinable non-certified letters and flats.

g. Are the extra costs discussed in (f) attributed to certified-mail service?

h. Please provide the percentage of MPBCS, DBCS, and CSBCS machines that have certified-mail detectors and the plans and timetables for deploying additional detectors.

i. Please discuss the extent to which the need to remove certified letters from the automated mail stream would decrease if all BCS machines had certified-mail detectors.

j. Please discuss the success of the certified-mail detectors in trapping certified letters.

k. Please confirm that processing costs for certified mail would decline if certified-mail detectors were deployed on all BCS machines, thus reducing or eliminating the need to process certified letters manually.

l. Please confirm that outgoing mail sorted in a manual operation to states subject to a three-day delivery standard generally is sorted using the ADC network. If you do not confirm, please explain.

m. Please confirm that outgoing mail sorted on automation to states subject to a three-day delivery standard generally is sorted using the AADC network. If you do not confirm, please explain.

n. Please confirm that sortation to the AADC network generally provides a finer level of sortation in the originating plant than sortation to the ADC network. If you do not confirm, please explain and provide specific examples.

o. Please confirm that mail sorted by the originating plant to the AADC level may have a better chance of being delivered sooner (e.g., in two days for a three-day delivery standard) than mail sorted to the ADC level.

p. Please confirm that glossy post cards are, in general, more expensive to process than white post cards that are not glossy and that can be processed on automation. If you do not confirm, please explain.

q. Please confirm that glossy post cards are, in general, more expensive to process than the stamped cards that the Postal Service sells. If you do not confirm, please explain your answer.

r. Assume X percent of glossy post cards and Y percent of stamped cards end up in a manual operation. (X and Y are positive numbers.) Please confirm that X probably is larger than Y. If you do not confirm, please explain.

DFC/USPS-T10-9.

a. Please explain current Postal Service procedures for processing bundled or trayed machinable single-piece First-Class metered letters that have a stale or incorrect meter date. (Please discuss only those procedures related to correcting the date on each envelope. For this interrogatory, please assume that the Postal Service decided to accept the metered mail, rather than returning it to the mailer to correct the date.)

b. Please confirm that the introduction of EXFC as a measurement system has decreased the attention devoted to identifying or correcting stale or incorrect meter dates on bundled or trayed machinable single-piece First-Class metered letters.

c. Please confirm that some stations, branches, or AO's may send containers of loose metered letters to the P&DC.

d. Please confirm that the P&DC may correctly decide that, to maximize efficiency, the loose metered letters described in (c) should be fed into an AFCS machine for facing. If you do not confirm, please explain.

e. Please confirm that the AFCS machine can be set to face but not cancel mail bearing only a meter indicia. If you do not confirm, please explain.

f. If metered letters in (d) are fed into an AFCS machine, please provide current Postal Service policy on whether the AFCS should apply a cancellation.

g. Please confirm that an AFCS machine that is set not to cancel meter indicia will not provide a correction on the mail piece for a stale or incorrect meter date.

h. Please explain the proper procedure in a plant for processing bundles of correctly dated faced single-piece First-Class machinable metered letters.

i. Please confirm that plants should not unbundle properly bundled and faced single-piece First-Class machinable metered letters that bear the correct date and run this mail through the culling system that leads to one or more AFCS machines.

DFC/USPS-T10-10.

a. Please provide the BCR/OCR acceptance rate for the FSM 881 when it is operating in BCR/OCR mode.

b. Please refer to your testimony at page 11, lines 3-5. Does the throughput of 6,500 refer to total pieces, whether accepted or not?

c. What is the normal throughput of an FSM 881 that is not operating in BCR/OCR mode?

d. Please confirm that an operator must manually feed each flat into the FSM 881 when it is operating in BCR/OCR mode. If you do not confirm, please explain.

e. Please explain why the BCR/OCR mode leads to greater efficiency compared to a manual-keying mode.

f. Please explain the extent to which plants use the BCR/OCR mode for outgoing primary operations throughout the evening, given that a certain percentage of flats will reject and will have to be processed a second time, potentially causing mail to miss dispatches. For example, do plants typically stop using the BCR/OCR mode after a particular hour in the evening?

g. Are single-piece First-Class flats that are processed successfully in BCR/OCR mode placed in containers that are labelled to indicate that the flats were processed successfully on the BCR/OCR?

h. Will single-piece First-Class flats that are processed successfully in BCR/OCR mode in the outgoing primary operation typically be labelled so that these flats can, if necessary, be processed in BCR/OCR mode on the outgoing secondary operation in that plant as well?

i. Which percentage of single-piece First-Class flats that are processed on the FSM 881 are processed on the FSM 881 in BCR/OCR mode?

j. If machine capacity is limited, is the Postal Service more likely, on an FSM 881 that is running in BCR/OCR mode, to run metered single-piece First-Class flats rather than stamped single-piece First-Class flats?

k. To which extent do prepping operations make separations between FSM 881-compatible flats and non-FSM-881-compatible flats? Or are the FSM 881 crews typically responsible for removing a substantial portion of the flats that are not compatible with the FSM 881?

l. Which percentage of single-piece First-Class flats that could be processed on the FSM 881 are processed manually due to capacity constraints on the FSM 881's and FSM 1000's?

m. Can the FSM 1000 run simultaneously in BCR and manual-keying modes, thus allowing operators to bypass manual keying if a particular flat has a bar code on it?

n. Does the FSM 1000 have an automatic feeder for bar-coded flats?

o. Which is the finest level — carrier route or sector-segment — to which bar-coded flats currently are processed on either the FSM 881 or FSM 1000?

p. Please reconcile the following two statements in your testimony: "The net result was that 60 percent of the total incoming secondary volume in plants was processed on flat sorters" (page 14, line 30 to page 15, line 1) and "The majority of incoming secondary distribution of flats is performed manually in delivery units in the current environment largely because of the shortfall in mechanized flats sorting capacity" (page 15 lines 12-14). Which percentage of machinable flats receives incoming secondary sortation on FSM's?

q. Please describe the methods used for sorting Priority Mail Flat Rate Envelopes (e.g., envelope EP-14F).

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the required participants of record in accordance with section 12 of the *Rules of Practice*.

Douglas F. Carlson

DOUGLAS F. CARLSON

January 29, 2000
Emeryville, California