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

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORY OF MAGAZINE PUBLISHERS OF AMERICA (MPA/USPS-T10-7)

The United States Postal Service hereby provides the response of witness

Kingsley to the following interrogatory of Magazine Publishers of America:

MPA/USPS-T10-7, filed on February 18, 2000.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

Docket No. R2000-1

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

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Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2990 Fax –5402 March 3, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA

MPA/USPS-T10-7 Please refer to your response to MPA/USPS-T10-1-2.

- a) Please define the term "use."
- b) Based on this definition of use, on average how many uses per year does the Postal Service get from a canvas sack?
- c) Is there a cost per use for maintaining a canvas sack? If so, what is it?
- d) Is there a cost per use for maintaining a plastic sack? If so, what is it?
- e) Please explain the source of your estimate that "On the average a canvas sack will last approximately 10 years."
- f) Please explain the source of your estimate that "On the average a plastic sack will last approximately 6-8 uses."

Response:

- a) The "use " of MTE is the period during which it carries mail, or product which will become mail. It is measured from the time it is loaded until it is unloaded.
- b) It is assumed that the term "canvas" is used generically and is intended to include nylon or other manufactured material woven into a fabric. There is no empirical data available to provide a statistically valid response to this question. Moreover, depending on the class of mail being transported and the facility "using" the sack, the number of uses per year for a canvas sack can vary dramatically. For example, a #3 sack provided to a catalog mailer may get only 3 "uses" per year. On the other hand, sacks which are used primarily between Postal Service Processing and Distribution centers may get 50 "uses" per year.

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- c) This depends on the definition of "maintaining". If "maintaining" means preparing a sack for reuse, e.g. sorting, inspecting, and palletizing, the cost is about \$.25 per sack, with the assumption that a sack must be "maintained" before every use. If the term "maintaining" means "repairing" the question is unanswerable since the number of "uses" cannot be empirically developed. The approximate cost to repair a canvas sack is approximately \$.90 plus transportation and handling cost of about \$.75 per bag. Repair includes patching holes and replacing grommets. The cost to "re-manufactured" sacks, e.g. replace lacing cords, and stitch seams, is \$1.30 per bag plus transportation and handling of \$.75 per bag.
- d) A "plastic" sack is taken to mean a polypropylene sack. As above, if "maintaining" means preparing a bag for reuse, the cost is about \$.20 per bag. If "maintaining" means repair, we do not repair plastic bags.
- e) There is no empirical data available to calculate the actual mean life expectancy of a canvas sack. A ten year mean life expectancy has been experientially estimated by informed observers.
- f) Again there is no empirical data available to calculate the actual mean life expectancy of a plastic sack. The 6 to 8 uses has been experientially estimated by informed observers.

DECLARATION

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I, Linda Kingsley, declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information, and belief.

maa a. Kengley Date:

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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Susan M. Duchek

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