## Before The POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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Postal Rate and Fee Changes, 2000

# Docket No. R2000-1

## RESPONSE OF THE UNITED STATES POSTAL SERVICE WITNESS RAYMOND TO UPS INTERROGATORIES (UPS/USPS-T13-7abc, 8-9)

The United States Postal Service hereby provides the response of witness

Raymond to the following interrogatories of the United Parcel Service: UPS/USPS-T13-

7abc, 8-9, filed on February 24, 2000. Interrogatory 7d was redirected to witness

Stevens.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

475 L'Enfant Plaza West, S.W. (202) 268-2993; Fax: -5402 Washington, D.C. 20260-1137 March 9, 2000 UPS/USPS-T13-7. There are twelve records in USPS-LR-I-163 (the Engineered Standards Database) in which the Activity is "Parcel" and the STS Type is "Driving Time."

(a) Explain why parcel activity is combined with driving time in each of these twelve records.

(b) Do any of these twelve records represent driving time for a dedicated parcel run?

(c) Do any of the twelve records represent driving time spent solely in order to deliver a parcel or parcels on a route that is not solely dedicated to making parcel deliveries?

(d) Were these data used to apportion any part of driving time to specific products or services or groups of products or services? If so, to what products or services, and how much time was so apportioned? If not, why not?

### **RESPONSE:**

(a) The following are the twelve records referred to in USPS-LR-I-163 where the

Row	Unit	Route	Site	Time	T		Activit	Work	STS
#	Code	#	Loc.	-			ies	Туре	Туре
1	CY14	3705	On	10:32	Park &	Resident	Parcel	LLV	Driving
		Ì	Route		Loop	Outside			Time
2	CY14	3705	Vehicle	14:33	Park &	Resident	Parcel	LLV	Driving
					Loop	Outside			Time
3	CY36	0480	Vehicle	12:41	Park &	Resident	Parcel	LLV	Driving
					Loop	Outside			Time
4	CY34	3141	Vehicle	15:14	Dismount	Resident	Parcel	LLV	Driving
		[				Outside			Time
5	CY46	1133	On	14:20	Central	Resident	Parcel	LLV	Driving
			Route			Outside			Time
6	CY55	0621	Vehicle	14:53	Park &	Resident	Parcel	LLV	Driving
					Loop	Outside			Time
7	CY46	1148	Vehicle	14:08	Dismount	Resident	Parcel	LLV	Driving
						Outside			Time
8	CY46	1148	Vehicle	14:14	Dismount	Resident	Parcel	LLV	Driving
						Outside			Time
9	CY50	8735	Vehicle	12:26	Dismount	Business	Parcel	Drop to	Driving
						Inside		Cust'er	Time
10	CY46	1145	Vehicle	12:40	Dismount	Resident	Parcel	N/A	Driving

Activity is "Parcel" and the STS Type is "Driving Time."

						Outside			Time
11	CY50	8759	Vehicle	11:41	Dismount	Resident Outside	Parcel	LLV	Driving Time
12	CY66	0130	Vehicle	16:27	Dismount	Resident Outside	Parcel	LLV	Driving Time

Each of these twelve records was reviewed by looking at the scans before and after the records and the observer's Daily Comments Log. The carrier has not deviated from his route, the vehicle is in motion, and he has a parcel in his possession in a prominent position in the vehicle. If the carrier had deviated from the route, and the driving was unique to parcels, the records would have been recorded differently, such as Location recorded as "Other Route."

Record Row 1 should remain STS Driving time.

Record Row 2 should remain STS Driving time.

Record Row 3 should remain STS Driving time.

Record Row 4 should remain STS Driving time.

Record Row 5 should remain STS Driving time.

Record Row 6 should remain STS Driving time.

Record Row 7 should remain STS Driving time.

Record Row 8 should remain STS Driving time.

Record Row 9 should be changed to STS Load Time due to an incomplete record edit. The Site Location should be Point of Delivery.

Record Row 10 should remain STS Driving time.

Record Row 11 should remain STS Driving time.

Record Row 12 should remain STS Driving time.

- (b) No, these records do not represent time spent on a dedicated route to deliver parcels.
- (c) I can not discern from these scans that the sole purpose was to only deliver a parcel.

UPS/USPS-T13-8. Refer to the forty-six records in USPS-LR-I-163 (the Engineered Standards Database) in which the Activity is "Parcel" and the Delivery Type is "Park & Loop."

(a) The records of the observations made at 12:41:07 PM and 12:47:06 PM on December 6,1996, have the same Unit Code (CY36) and Route Number (0480) but the Site Location is "Vehicle" for one and "On Route" for the other. Do these records provide an example of a run made on a park-and-loop route in order to deliver a parcel or parcels only? If so, has this six-minute time interval between the two records been allocated solely to parcels? If so, to what products or services, and how much time was so apportioned? If not, why not?

(b) The records of the observations made at 10:07:21 AM and 10:19:27 AM on August 11,1997, have the same Unit Code (CY64), Route Number (1401) and Site Location ("Point of Deliver"). Does the twelve-minute interval between the two records provide an example of a run made on a park-and-loop route in order to deliver a parcel or parcels only? Has this twelve-minute interval between the two records been allocated solely to parcels? If so, to what products or services, and how much time was so apportioned? If not, why not?

#### **RESPONSE:**

(a) Unit Code CY36 Route Number 0480, was studied on December 5, 1996.

The scan made at 12:41:07 PM with the site location Vehicle, Park & Loop

Route, Resident Outside, Parcel, LLV, was classified as a driving scan due to the

carrier location and LLV. Looking at the scans before and after the 12:41:07 PM

scan we can deduce that this was a Park & Loop section of a route. We can not

deduce that the only reason that the driving was for a parcel. The scan that

followed at 12:47:06 PM may or may not be related to the 12:41:07 PM scan.

The scan at 12:47:06 PM with the site location On Route, also contained Park &

Loop, Residence Outside, Parcel, and Walking which implies the carrier is

transporting a parcel to a delivery point and this scan has no further meaning. A number of other delivery points and mail could have been delivered during the six-minute time intervals between the scans. The distribution of time based on work sampling is not accomplished based on the time between the scans. The number of work sampling scans/tallies are totaled and ratios of particular groups of scans are made relative to total sets of scans. These ratios/distributions are then used to allocate/spread, time/cost to the particular subsets/groups of scans.

(b) Unit Code CY64 Route Number 1401, was studied on August 11, 1997. There was a scan made at 10:07 AM that suggest the carrier was at the LLV setting up to carry a Loop. Six minutes into the loop at 10:07 the carrier was dropping a parcel off to a customer. The carrier at 10:13 AM was On Route walking between deliveries sorting mail during the walking. The carrier at 10:19 AM was again dropping off a parcel to a customer. The carrier at 10:25 AM was again On Route walking between deliveries sorting mail during the walking. This pattern is typical of a Park & Loop section of a route where the carrier has been able to take the parcels along with the other mail being delivered. The twelve minutes between the 10:07 and 10:19 scan contain a scan at 10:13 that identifies other work is taking place between the 10:07 and 10:19 scans. A number of other delivery points and mail could have been delivered during the twelve-minute time intervals between the scans. The distribution of time based on work sampling is not accomplished based on the time between the scans. The number of work sampling scans/tallies are totaled and ratios of particular groups of scans are

made relative to total sets of scans. These ratios/distributions are then used to

allocate/spread both time and/or cost to the particular subsets/groups of scans.

UPS/USPS-T13-9. Refer to page 28 of your testimony, where you state that

"Level 11.4 'Js' identified delivery that were associated activities on route and were typically paired with Level 11.4.1 'Hs' ...." (emphasis added). Refer also to page 29 of your testimony, where you state that "Level 11.4 'Fs' typical/y identified deliveries that required customer interaction on route and were typically paired with Level 11.4.1 'Gs'." (emphasis added). There are only four records in USPS-LR-I-163 (the Engineered Standards Database) in which the level 11.4 Activity Code is "Parcels," Code J04; the level 11.4.1 Activity Detail Code is either E03 or HOO. There are 650 records in the Engineered Standards Database that contain "Parcel," Code F02, as the activity. The majority of the level 11.4.1 Activity Detail Codes are either "Ks" or "Hs."

(a) Provide more detail as to the difference between Activity Code J04, "Parcels," and Activity Code F02, "Parcel."

(b) Provide examples of the differences between Activity Codes JO4 and F02.

(c) Explain why, in these records, most of the Activity Code F02 records are paired with Activity Detail Codes "Ks" or "Hs" and not with Activity Detail Code "Gs."

(d) Provide documentation of specific instructions given to data collectors as to how they were to distinguish between Activity Codes JO4 and F02. If explicit training materials do not exist, explain in detail what the data collectors were told in order to distinguish between Activity Codes JO4 and F02.

**RESPONSE:** 

(a-b) Activity Code J04 was primarily used for In-Office work sampling. There are

only four records in the database that used the J04 code on outside work

sampling activities. The use of these codes is not typical but implies that multiple

parcels are being processed. Looking at the series of scans before and after the

four J04 scans the following may assist in understanding the events that

occurred.

J04 Sca	ns - Parcels					
Unit Code	Route Number	Site Location	Time	Activities	Work Type	STS
CY38	8008	Vehicle	9:15 AM	Parcels	Mat'l Handling	Street Support
CY09	2451	Vehicle	9:33AM	Parcels	Mat'l Handling	Street Support
CY40	8408	Vehicle	8:22AM	Parcels	Mat'l Handling	Street Support

These three records imply that the vehicle was being loaded which is a Street

Support activity.

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J04 – Parcels on a Park & Loop - Business Outside - @ Point of Delivery

Unit Code	Route Number	Site Location	Time	Activities	Work Type	STS
CY11	4732	Point of Delivery	12:15PM	Parcels	N/A	Load

This record implies that multiple parcels were being delivered to the business customer. The carrier was at the delivery point and is therefore performing STS – Load.

Activity code F02-Parcel was intended to be used for Outside work sampling scans and J04-Parcels for In-Office work sampling. Both codes mean the carrier is working with parcels and additional scans are needed to better define the carriers actions.

(c) The activity code F02 – Parcel identifies that a particular type of mail being handled is a parcel. The "K" codes indicate a means of travel. The "H" codes indicate the details of the delivery point being served. The "F" Codes typically require customer interaction which when dealing with customers can lead into the

"G" Codes that further describe the customer interaction. If, all goes well the F02 Code would be paired with an "H" Code identifying the type of delivery point the parcel was being delivered to or with a "K" Code identifying the means of transporting the parcel.

(d) There was no specific documented instructions given to observers to distinguish between J04 and F02. The J04 code appears on the work sampling sheets for In-Office and the F02 code appears on the Outside work sampling sheets. Both codes mean the carrier is working with parcels and additional scans are needed to better define the carriers actions.

# DECLARATION

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

Mayl B. Zupmend Date: 3-9-00 \_\_\_\_

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.

lon Cooper Richard

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 March 9, 2000