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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 UNITED STATES POSTAL SERVICE TO INTERROGATORIES OF ADVO, INC. REDIRECTED FROM WITNESS DANIEL (ADVO/USPS-T28—5-7)

The United States Postal Service hereby provides responses to the following interrogatories of the Advo, Inc. redirected from witness Daniel: ADVO/USPS-T28—5-7, filed on February 28, 2000.

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

Anthony Alverno

Attorney

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ADVO/USPS-T28-5. Referring to LR I-173, please provide a comparison in tabular form of the shape definitions used by the DMM (Domestic Mail Manual), NCM (National Count of Mail), old RCCS (Rural Carrier Cost System), and new RCCS (LRCA).

RESPONSE:

The shape dimensions used by the DMM, NCM, and RCCS (old and new methodologies) are given below. It should be noted that the shape definitions differ because the DMM definitions are related to how the mail is processed whereas the rural definitions are related to what workload is required of rural carriers.

| DMM Mail Piece Dimensions | | | | | | |
|---------------------------|-----------|----------------|----------------|--|--|--|
| | Dimension | <u>Minimum</u> | <u>Maximum</u> | | | |
| Letter | Height | 3 ½" | 6 1/8" | | | |
| | Length | 5" | 11 1/2" | | | |
| | Thickness | 0.007" | 1/4" | | | |
| Flat | Height | 6 1/8" | 12" | | | |
| | Length | 11 ½" | 15" | | | |
| | Thickness | 1/4" | 3/4" | | | |
| Parcel* | Height | 3" | 17" | | | |
| | Length | 6" | 34" | | | |
| | Thickness | 1/4" | 17" | | | |
| | Weight | 6 – 8 ounces | 35 lbs. | | | |

^{*}Dimensions given are for machinable parcels. Irregular parcels are those mail pieces that do not meet dimensions given here. Outside (nonmachinable) parcels are those mail pieces that exceed the dimensions of machinable parcels.

| Rural Mail Piece Dimensions | | | | | | | |
|-----------------------------|------------------|--------------|-------------------|------------|-------------------|--|--|
| | | N | <u>NCM</u> | | RCCS ¹ | | |
| | Dimension | Minimum | Maximum | Minimum | Maximum | | |
| Letter | Height: | | | | | | |
| | Non- | 3 ½" | 5" | 3 ½" | 5" | | |
| | DPS ² | | | | | | |
| | DPS | 3 ½" | 6 1/8" | 3 ½" | 6 1/8" | | |
| | Length | 5" | Whatever fits | 5" | 11 ½" | | |
| | | | in case | | | | |
| | | | separation | | | | |
| | Thickness | 0.007" | 3/8" ³ | 0.007" | 1/4" | | |
| Flat | Height: | | | | | | |
| ľ | Non-DPS | 5" | Whatever fits | 5" | 12" | | |
| | DPS | 6 1/8" | in case | 6 1/8" | 12" | | |
| - | Length | 5" | separation | 5" | 15" | | |
| | | | | | | | |
| | Thickness | 3/8" | 1 9/16" | 1/4" | 3/4" | | |
| Parcel ⁵ | Height | Exceed one | See DMM | Exceed | See DMM | | |
| | Length | of the flat- | rules | one of the | rules | | |
| | Thickness | size | | flat-size | | | |
| | | maximums | | maximums | | | |
| } | Weight | | | | | | |

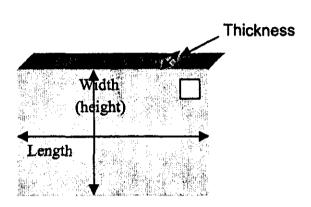
¹Letter height maximum dimension under the "old methodology" was based on whether the route being sampled was a <u>non-DPS or DPS route</u>. Under this methodology sample mail pieces were selected after the carrier cased the mail. Letter width maximum dimension under the "new methodology" is based on whether the mail piece being sampled is from the <u>non-DPS or DPS mail stream</u>. Sampling methodology was changed from the old method to allow identification of mail from the DPS mail stream. In particular, sample mail pieces are selected before the carrier cases the mail, so that mail from the DPS mail stream is easily identified.

²DPS means Delivery Point Sequence.

³Applies only to small magazines and small catalogs. Letter-size mail is whatever fits

in the case separation being used regardless of thickness.

⁵Other criteria that distinguish flats and parcels in the NCM include rigidity, bendability, and the ability to fit the mailpiece into the flat case separation. For example, any nonrigid article that does not fit in the letter or flat separation with other mail is considered a parcel.



ADVO/USPS-T28-6. Please clarify the discussion in LR I-173 on page 2:

- (a). Why are the 5-inch and 6 l/8-inch rules important to the RCCS/LRCA and NCM identification of rural DPS volume?
- (b). On that page, is the old RCCS termed the "old methodology" and the new RCCS (LRCA) termed the "new methodology"? If not, please explain what "old" and "new" mean.
- (c). Under the "old methodology," were some letters between 5 and 6 1/8 inches wide supposed to be categorized as rural-defined letters?
- (d). Under the "new methodology" are some letters between 5 and 6 1/8 inches wide supposed to be categorized as rural-defined letters?
- (e). Please provide the full name for the acronym "LRCA."

RESPONSE:

- (a) The 5-inch and 6 1/8-inch rules are important to the RCCS and NCM identification of rural DPS volume because they define in part whether a mail piece is letter-shaped or flat-shaped. For the NCM, this distinction is important for route evaluation and classification. For the RCCS, this distinction is important because data from the RCCS are used in costing models.
- (b) Confirmed. "Old methodology" refers to the old RCCS rules (i.e., the rules in place for the RCCS at the time of the study discussed in LR I-173). "New methodology" refers to the new RCCS rules that were being tested by LRCA in this study and that were subsequently adopted in the official RCCS methodology.
- (c) Under the "old methodology" all mail pieces between 5 and 6 1/8 inches wide (and satisfying the other dimensions of a letter) for DPS rural routes were supposed to be categorized as letters. Mail pieces between 5 and 6 1/8 inches wide (and satisfying the other dimensions of a letter) for non-DPS rural routes were supposed to be categorized as flats.

- (d) Under the "new methodology" all mail pieces between 5 and 6 1/8 inches wide from the DPS mail stream and satisfying the other dimensions of a letter are supposed to be categorized as letters (for rural routes). Other mail pieces (non-DPS) between 5 and 6 1/8 inches wide and satisfying the other dimensions of a letter are supposed to be categorized as flats (for rural routes).
- (e) The full name of the acronym LRCA is: Laurits R. Christensen Associates.

ADVO/USPS-T28-7. Please refer to Table 1 in LR I-173. Are the volumes by shape in that table defined (as much as possible) under the National Count of Mail rules rather than the Domestic Mail Manual rules? Please explain.

RESPONSE:

In Table 1 in LR I-173, the volumes by shape in the main middle column (with column heading "RCCS Results") were the result of shape definitions made by Data Collection Technicians at sample sites. Shapes were supposed to be defined by the "old" RCCS methodology, although observation of the data collection procedures indicated that these shape definitions were not uniformly applied across sample sites. The volumes by shape in the right-hand main column (with column heading "LRCA Results") were the result of data collected by LRCA personnel using the "new" RCCS methodology. See response to interrogatory ADVO/USPS-T28-5 for the shape definitions for the "old" and "new" RCCS methodology.

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.

Anthony Alverho

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