

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

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

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS KINGSLEY TO INTERROGATORIES OF
THE NEWSPAPER ASSOCIATION OF AMERICA
(NAA/USPS-T10-1-18)

The United States Postal Service hereby provides the responses of witness Kingsley to the following interrogatories of the Newspaper Association of America: NAA/USPS-T10-1-18, filed on March 1, 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



Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2992 Fax -5402
March 15, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-1. Please refer to your testimony at page 26, lines 27-28, where you state that "DPS reduces office time by saving each carrier up to 1 1/2 hours a day for casing letters."

a. Please provide the basis for this statement, including all underlying data, and indicate for which geographical area and time period this saving applies.

b. To the extent not answered in part (a), please estimate this saving by each of FY99, FY00, and FY01. If you are unable to provide estimates for these figures, please defer the request to the Postal Service.

Response:

a. I am told that the national average DPS letter volume per DPS city route was about 1350 pieces in 1998. This equates to about 94 minutes a route in cost avoidance calculated at the current letter mail casing standard, 18 per minute, and pull down standard, 70 per minute. Savings for individual routes will vary depending on local circumstances, such as DPS volume, address hygiene and carrier efficiency.

b. I am told that the DPS work hour savings budgeted for carrier in-office time from FY 99 to FY 01 are:

FY 99: 4.6 million workhours

FY 00: 9.6 million workhours

FY 01: 4.2 million workhours

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-2. Please refer to your testimony at page 27, lines 12-14, where you state: "Motorization has gradually eliminated many walking routes and increased the proportion of carriers with vehicles from 85 percent in FY 88 to 91 percent in FY 98."

a. Please provide the basis for this statement, including all underlying data, and indicate for which geographical area this increase applies.

b. Please estimate this factor for each of FY99, FY00, and FY01. If you are unable to provide estimates for these figures, please defer the request to the Postal Service.

Response:

- a. This statement was based on Operations testimony in the 1998 Interest Arbitration with the NALC. I am told that the testimony was in turn based on information in the Address Management System database and that, currently, the database shows that foot routes are 8.6% of total routes compared to 24% of routes in FY 92. As further substantiation, I am told that from FY 88 to FY 98, an additional 28,900 vehicles were provided on city routes while the number of city routes only increased by 13,900.
- b. See my response to DMA/USPS-T10-47.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-3. Please refer to your testimony at page 27, lines 16-18 at which you state: "Finally, coverage, the proportion of delivery points receiving mail on any one day, has increased to 85 percent, so there is less travel time without useful activity at a delivery point."

a. Please provide the basis for this statement, including all underlying data, and indicate for which geographical area and time period this saving applies.

b. To the extent not answered in part (a), please estimate this factor for each of FY99, FY00, and FY01. If you are unable to provide estimates for these figures, please defer the request to the Postal Service.

Response:

a. The basis for this statement was Operations testimony in the 1998 Interest Arbitration with the NALC. I am told that coverage factor data are not available at the national level because it is measured locally on a route by route basis during a formal count and inspection. However, a survey of 202 routes in 1997 using route inspection data revealed the following coverage percentages by Type of route:

Residential Other	.90
Curbline	.92
NDCBU	.85
Centralized Res.	.82
Business Other	.83
Business Curb	.89
Business NDCBU	.80
Business Centralized	.79

I am told that the 85% figure was estimated from this data and that the fact of an increase is widely recognized.

b. I am told that the requested information is not available. The coverage factor is determined by the mailing practices of businesses and households.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

- b. I am told that estimates of volume changes are available in the testimony of witness Tolley (USPS-T-6) and that the number of city delivery points is expected to increase at the rate of 0.6% per year. See NNA/USPS-T10-25.
- c. Confirmed. It refers to an increase in the mail with a parcel shape.
- d. NA

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-4. Please refer to your testimony at page 27 lines 20-21 at which you state: "First, there were 5.6 pieces per delivery in FY 98 compared to only 5.1 in FY 88. Flats volume has grown during this time;" lines 25-26 at which you state that "Increases in parcel deliveries per route would also account for carriers spending a little more time per delivery;" and page 28, lines 8-9 at which you state that "Parcel and flat volumes are expected to increase."

a. Please provide the basis for these statements, including all underlying data, and indicate for which geographical area and time periods these increases apply.

b. Please estimate these factors, in total and separately for flats and parcels, for each of FY99, FY00, and FY01. If you are unable to provide estimates for these figures, please defer the request to the Postal Service.

c. Please confirm that the second statement that "increases in parcel deliveries per route would also account" refers to increases that "did" occur.

d. If(c) is not confirmed, please provide the intent of the statement.

Response:

a. This statement was part of Management's testimony in the 1998 Interest Arbitration with the NALC. I am told that the information was based on an analysis of the national FLASH data system used to monitor Postal Service operations.

	FY '88	FY '98	FY '99
City Possible Deliveries	77.2 Million	82 Million	82.7 Million
Daily City Volume	394.7 Million	459.6 Million	482.1 Million
Pieces per delivery	5.1	5.6	5.8

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-5. Please refer to your testimony at page 28, lines 4-6 at which you state that "In summary, comparing FY 88 to FY 98, today's city carriers average an additional 25 minutes on the street delivering 8 percent more mail to 2 percent fewer delivery points."

a. Please provide the basis for this statement, including all underlying data, and indicate for which geographical area these figures apply.

b. Please estimate these factors for each of FY99, FY00, and FY01 If you are unable to provide estimates for these figures, please defer the request to the Postal Service.

Response:

(a) + (b) This information was part of Management's testimony in the 1998 Interest Arbitration with the NALC. The information is based on an analysis of the FLASH and NWRS data systems used to monitor Postal Service Operations. The data shown below is national data from these sources. FY 99 data was available and is provided. I am told that estimates for FY 00 and FY 01 are not available.

	FY '88	FY '98	FY '99
City Possible Deliveries	77,185,371	82,005,021	82,738,083
City Routes	153,155	166,047	168,052
PDs/Route (city)	504	494	492

-2.0% Delivery Points

City Volume (Pieces)	119,147,544,486	138,781,570,743	145,583,625,445
Pieces Per Route	2,576	2,768	2,869

7.6% Mail Volume

LDC21/28/29 Total Office	188,260,260	174,631,987	174,607,505
LDC 22 Street	223,633,548	256,335,479	259,567,481
LDC21/28/29 Total Office	46%	41%	40%
LDC 22 Street	54%	59%	60%

5% of 480 Minutes = 25 Minutes

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-6. Please provide the best available estimate of the number of delivery points for each type of city carrier route.

Response:

This data is not available in the form requested. The average number of city deliveries per route was 496.3 in FY 99. Of the approximately 83 million city deliveries, the percentage breakdown by delivery type is; Door – 47.6%, Curblines – 22.2%, Centralized – 30.2%.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-7 How many carrier routes are served by a typical delivery unit? If this information is difficult to obtain, please provide your best estimate and the likely range.

Response:

I am not sure exactly what you mean by "typical", but there are approximately 26,600 offices with delivery. Of these, 6,122 offices have 10 or more routes, 3,201 offices have between 5 and 9 routes, and 16,310 offices have 1 to 4 routes. Also, there are approximately 232,000 routes so there is an average of about 8.7 routes per unit.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-8 Please refer to the discussion of Delivery Bar Code Sorters at page 5 of your testimony.

- a. When did the deployment of DBCS equipment begin?
- b. In what types of facilities will the "additional 270" sorters be deployed?

Response:

- a. The deployment of DBCS equipment began in October 1991.
- b. The additional sorters will be deployed in the same types of facilities as the previous deployments (i.e., primarily P&DCs and P&DFs, with a few in delivery units).

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-9 Please refer to page 6, lines 6-13 of your testimony. Are Carrier Sequence Bar Code Sorters used to sort:

- a. First Class letters with Standard (A) Regular letters?
- b. First Class letters with Standard (A) Enhanced Carrier Route letters?

Response:

- a. Yes, to Delivery Point Sequence.
- b. Sometimes, if prebarcoded, or if machinable and barcoded on an OCR to Delivery Point Sequence.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-10 Please refer to page 25, lines 21-23 of your testimony, where you state that in "many cases, ECR letters are transported from the delivery unit to the processing plant to be barcoded on an OCR and sorted in with DPS letters on a DBCS."

- a. What proportion of ECR letters are expected to be transported back to the processing plant for this purpose in the Test Year?
- b. Are ECR letters sorted in with First Class letters in this process?

Response:

- a. It would depend on the portion of ECR letters that are machinable and entered at a delivery unit that need to be transported back to the plant. I have no data for this on which to base an estimate.
- b. ECR letters are sorted in with First-Class letters when delivery point sequencing on the DBCS, but are not normally mixed together on the OCR. However, if there are small volumes of ECR on Tour 1 and they are due for dispatch by the end of Tour 1, it is possible that personnel would not clear the OCR of First-Class letters in order to run ECR letters separately.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-11 After ECR letters are sorted in with DPS letters on a DBCS, are the ECR letters handled or delivered any differently from that point on than First Class letters that they are sorted in with?

Response:

No. They are handled the same.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-12 Are detached address labels associated with saturation mailings ever run on barcode sorters? If your answer is yes, please explain the circumstances in which this would occur.

Response:

No, not that I am aware of.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-13 Please refer to page 25, lines 28-29 of your testimony, where you state that flats in line-of-travel sequence allow for "very efficient casing." Please identify the most recent Postal Service analysis of the relative casing efficiency of mailings prepared in line-of-travel compared to other methods of sequencing, including walk-sequencing, and provide a copy if it is not already part of the record in a Commission proceeding.

Response:

The statement that flats in line-of-travel sequence allow for "very efficient casing" was based on the self evident knowledge that mail can be cased more efficiently if the carrier does not have to search all over the case for the proper separation to sort each mail piece. If reviewed on a methods, time and motion (MTM) basis, line-of-travel reduces the total amount of reach required to sort the mail.

When casing detached address cards, for example, carriers are instructed to pick up a handful of these cards in one hand, raise the mail to be cased to eye level and hold the mail close to the shelf that the cards will be cased into. This allows the carriers to more efficiently case these cards since they are generally in line-of-travel order. It is also recommended that these cards be cased into an empty case for even more efficient casing. Line-of-travel is particularly helpful for new and relief carriers that do not know the route sequence as well as the regular carrier.

I am told that the most recent study of this matter was reported by USPS witness Shipe in R90-1-USPS-T10.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-14 Please (sic) how a city carrier handles a Standard (A) Enhanced Carrier Route saturation mailing with detached addressed cards while in-office.

Response:

A city carrier on a park and loop or foot route will case the detached address cards. The manner in which the associated saturation mail piece is handled depends on whether the carrier receives DPS, and, if so, which DPS work method was selected for that route.

If the carrier on a park and loop or foot route is in a non-DPS environment or volunteers to carry a fourth bundle in a DPS environment, the appropriate number of associated saturation mail pieces will be placed at the back of the addressed flat bundle during tie down. There is no prohibition as to the number of bundles that may be carried on a mounted route (curbline or dismount deliveries). These carriers may case the detached address cards in the office at the discretion of local management. Regardless of whether the address cards are cased, they put the appropriate number of associated saturation mail pieces in a separate tray in preparation for delivery from their vehicle.

In a DPS environment, when carriers select the DPS work method where residual letter mail is sorted in with vertically cased flats, the associated saturation mail piece is handled as above. If the carrier uses the Composite DPS work method (three bundles), when detached address label mailings are received, one bundle must be eliminated unless the carrier voluntarily carries a

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

fourth bundle. This could include casing or collating the associated saturation mail piece in the office.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-15 Please describe how casing of flats differs depending upon whether vertical flats cases or horizontal flats cases are used.

Response:

Flats are cased into a vertical flat case in the same manner as letters are cased into a letter case, i.e., vertically and in the sequence that will be used for delivery.

There are generally 1 or 2 addresses per case separation. After all the flats are cased, the carrier simply pulls them out of the case in walk sequence and prepares the mail for delivery.

Horizontal flat cases generally contain multiple street addresses per case separation, consequently, these flats require another handling after all mail is cased. During the carrier's tie down activity, flats from each separation are fanned out on the case ledge and further sorted into walk sequence for each street contained in that separation.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-16 Please describe how a city carrier handles a Standard (A) Enhanced Carrier Route saturation mailing during street delivery. Please include in your explanation a discussion of:

- a. How the delivery of detached address label saturation mailings differs by type of route?
- b. In what instances in detached address label saturation mailing is carried as a third bundle?
- c. In what instances in detached address label saturation mailing is carried as a fourth bundle?
- d. In what situations a carrier will handle the detached address label and the associated flats separately?
- e. Please indicate, where appropriate, how delivery of such mailings in the Test Year is expected to differ from current practice.

Response:

In a non-DPS environment, a park and loop or foot carrier will place the appropriate number of saturation mail pieces at the back of the flat bundle. At the delivery point, when the carrier sees a detached address card she simply pulls the associated mail piece from the back of the flat bundle. If there is more than one WSS bundle, they must be collated together, or one of them must be sorted with the flats, or curtailed, depending on the service required. There is, however, no prohibition as to the number of bundles that may be carried on a mounted route. In a non-DPS environment, a mounted carrier will simply take a detached address card for the delivery point and an associated saturation mail piece from a separate tray. She will combine them with other letters and flats contained in separate trays in the vehicle and, in one motion, make the delivery.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

In a DPS environment, WSS bundles are considered a fourth bundle if a carrier is on a foot or park and loop route utilizing the third bundle method of handling DPS. This fourth bundle can be cased or collated, or taken directly to the street only if another bundle is eliminated through casing or collating. The carrier may voluntarily carry a fourth bundle and would deliver the associated saturation mail piece in the same manner as before DPS was initiated. The carrier may also case residual letter mail in with the vertically cased flat mail and would handle detached address mailing in the same manner as prior to DPS implementation.

- a. Mounted routes (curbline and dismount deliveries) have no bundle restrictions whether they are in a DPS environment or not, and may take both the detached address label and the associated mail piece directly to the street.
- b. Any route in a non-DPS environment, on a mounted route whether in DPS or not, and on a park and loop or foot route in a DPS environment when the DPS work method selected is casing residual letter mail in with vertically cased flats.
- c. On a park and loop or foot route in a DPS environment where the Composite (third bundle) work method has been selected and the carrier volunteers to carry four bundles, or on mounted routes.
- d. On a mounted route.
- e. It is not expected to differ in the Test year.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-17 Please refer to page 26, lines 4-5 of your testimony.

- a. Please explain what you mean by "depending on the service required."**
- b. In situations where a carrier receives more than one customer supplied saturation walk sequenced mailing bundles to be delivered on the same day, how is it decided which mailing is cased and which is carried as a third bundle?**

Response:

- a. "Depending on the service required" refers to the in home delivery date, or if there is no in home delivery date on the mail, it depends on the color code (approximately first-in-first-out based on when the mail was received).**
- b. If two WSS mailings require delivery that day with the same in home delivery date, the address cards for both mailings are cased, the associated flats for each mailing are collated together, and the appropriate number of flats is placed at the back of the regular flat bundle. Alternately, one WSS mailing is sorted with the regular flat bundle and the other mailing is placed at the back of the bundle. If two WSS mailings are received on the same day and one has a later in home delivery date, then, everything else being equal, the earlier in home delivery date mailing will be delivered that day, and the WSS mailing with a later date will be curtailed until the following day.**

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA**

NAA/USPS-T10-18 Please refer to page 27, line 1 of your testimony. What do you mean by "assistance" that is provided to the carrier?

Response:

As I say in the immediately following line of my testimony "The assistance might have been on the street delivering part of the route, called 'auxiliary assistance' or in the office casing mail, called 'router time.'"

DECLARATION

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.

Linda O. Kingsley
Date: 3-15-2010

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.



Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2992 Fax -5402
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