

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS KINGSLEY TO INTERROGATORIES OF
THE ASSOCIATION OF AMERICAN PUBLISHERS
(AAP/USPS-T10-14 - 15)

The United States Postal Service hereby provides the responses of witness Kingsley to the following interrogatories of the Association of American Publishers: AAP/USPS-T10-14 - 15, filed on March 14, 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

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March 28, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY
TO INTERROGATORIES OF ASSOCIATION OF AMERICAN PUBLISHERS**

AAP/USPS-T10-14 Please refer to your response to AAP/USPS-T-10-1(a). Please confirm that, other than Attachment H to the testimony of Postal Service witness Crum (USPS-T-27) and the data supporting that attachment, the Postal Service has no other "studies, reports, data or other evidence" that proves the existence of the inefficiency claimed for BPM. In addition, please confirm that, other than Attachment H of witness Crum's testimony and the data supporting that attachment, the Postal Service has no other "studies, reports, data or other evidence" that quantifies the frequency that this alleged inefficiency claimed for BPM actually occurs.

Response:

This is not the only evidence that proves this inefficiency of the outdated local entry. In most situations, customers must notify the Postal Service in advance about where and what they are depositing at destination facilities. Consequently, we have been provided on numerous occasions information from customers that clearly shows that they are depositing mail at facilities addressed to locations outside of that facility's service area. This information is often provided directly from the customer to the delivery units. Even though it was obvious that these situations were regularly occurring based on this evidence, as well as the existing requirements, the extent to which this was occurring was not available because specific facility entry data is not collected nationally, only rate and volume information. This was the primary reason for the study in witness Crum's testimony – to develop statistically significant data showing the extent of this inefficiency. Generally speaking, the results signaled that these situations were occurring more frequently than anticipated. This is the only study of which I am aware that quantifies this obvious inefficiency.

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AAP/USPS-T10-15 Please refer to your response to AAP/USPS-T-10-1(e). In your response you state that data from Attachment H to the testimony of witness Crum was "inflated, combined, and extrapolated to the total FY 98 volume." With respect to this statement, please explain in detail how data collected during FY 99 was "extrapolated to FY 98 volume." Please provide overall BPM volume figures for FY 98 and for FY 99 and explain how differences between these volume levels were assigned to the destination entry categories that appear in Attachment H of witness Crum's testimony.

Response:

Please refer to pages 7-8 of USPS LR-I-109.

Overall BPM volume for 1998 can be found in the testimony of witness Hunter (USPS-T-5, page 8). It is my understanding that Fiscal Year 1999 volumes have been supplied to the PRC under the Commission's periodic reporting requirements. Total BPM volumes (000) are supplied below for your convenience.

FY 1998 = 488,413

FY 1999 = 495,662

I am informed that differences between these volume levels are not assigned to the destination entry categories as you suggest.

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 A. Kingsley

Date: 3-28-2000

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

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