

UNITED STATES OF AMERICA
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

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
(OCA/USPS-117-120)
April 3, 2000

Pursuant to sections 25(a), 26, and 27 of the Rules of Practice of the Postal Rate Commission, the Office of the Consumer Advocate hereby submits interrogatories and requests for production of information available only from the Postal Service. Instructions included with OCA interrogatories OCA/USPS-1-14 dated January 24, 2000, are hereby incorporated by reference.

Respectfully submitted,



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Director
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OCA/USPS-117. Please refer to the responses to interrogatories OCA/USPS-91 and OCA/USPS-T33-10 redirected from witness Fronk.

- (a) Please state explicitly that no reasonable approximation of caller service volumes by subclass can be extracted from ODIS data for FYs 1998 or 1999. If such reasonable approximations can be developed from ODIS, please provide them.
- (b) Please state explicitly that no reasonable approximation of caller service volumes by subclass can be extracted from CBCIS data for FYs 1998 or 1999. If such reasonable approximations can be developed from CBCIS, please provide them.
- (c) Please state explicitly that no reasonable approximation of caller service volumes by subclass can be extracted from any Postal Service data base for FYs 1998 or 1999. If such reasonable approximations can be developed, please provide them.
- (d) Please state explicitly that the Postal Service has no internal need for reasonable approximations of caller service volumes by subclass. If the Postal Service has developed such reasonable approximations for internal purposes, please provide reasonable approximations for FYs 1998 and 1999.
- (e) Please provide a breakdown of First Class Letter caller service volume between workshared and nonworkshared categories. If you cannot provide the requested breakdown, please confirm that the proportion of First Class Letter caller service volume that is workshared is small (e.g., less than ten percent). If you do not confirm, please explain.

OCA/USPS-118. Please refer to the response to interrogatory OCA/USPS-92. The last sentence of the response states that “the Postal Service has been successful in capping the rate differential between letters and flats in Standard Mail (A) since the introduction of this rate differential.”

- (a) Please confirm that one effect of this successful capping is (1) an increase in the implicit cost coverage for letters above the subclass average and (2) a decrease in the implicit cost coverages for nonletters below the subclass average. If you do not confirm, please provide an arithmetic example demonstrating that a passthrough of less than 100 percent of the letter/flat differential does not necessarily result in shifts in cost coverage as stated in this interrogatory.
- (b) Please provide estimates of the implicit cost coverage for letters and nonletters in each subclass of Standard Mail (A).
- (c) Please provide an estimate of the cost differential between one-ounce letters and one-ounce flats in First Class Letters.
- (d) Please provide estimates of the implicit cost coverage for letters and nonletters in First Class Letters.

OCA/USPS-119. Please refer to the response to interrogatory STAMPS.COM/USPS-T33-8. The interrogatory and response concern possible problems with an IBI discount. Specifically, they relate to the question of whether customers might create an IBI envelope to pay their bills rather than use the automation compatible courtesy reply envelope provide by the bill presenter.

- (a) Please confirm that this particular problem disappears if the net cost to the customer for using a CRE is less than the net cost to the customer of creating and posting an IBI envelope. If you do not confirm, please explain.
- (b) Please confirm that this particular problem can be avoided by offering a larger discount (e.g., three cents) for using an automation compatible CRE than the discount (e.g., one cent) for using an IBI envelope. If you do not confirm, please explain.

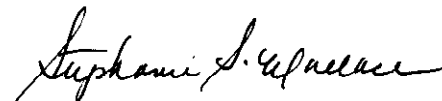
OCA/USPS-120. Please provide data and graphs showing the probability that an AFCS successfully faces and cancels a properly stamped letter-shaped piece as a function of aspect ratio. E.g., for each 10,000 pieces fed of a particular aspect ratio (AR), what proportion is successfully faced and cancelled?

- (a) Please confirm that *any* graph of this function should have the following properties: (1) $\text{Prob}(\text{success}|\text{AR} = 1.0) \geq 0.5$; $\text{Prob}(\text{success}|1.0 < \text{AR} < 1.3)$ increases monotonically to 1.0; (2) $\text{Prob}(\text{success}|1.3 \leq \text{AR} \leq 2.5) = 1.0$; $\text{Prob}(\text{success}|\text{AR} > 2.5)$ decreases monotonically from 1.0. If you do not confirm, please explain in detail your inability to confirm any of these properties.
- (b) If an AFCS may reject a properly stamped letter-shaped piece with an aspect ratio between 1.3 and 2.5 inclusive, please provide the average reject rate for such pieces and adjust the probabilities in part (a) of this interrogatory accordingly.
- (c) Please confirm that the choices of 1.3 and 2.5 as boundary aspect ratios is based on an analysis of the probability function requested at the beginning of

this interrogatory. If you confirm, please provide that analysis. If you do not confirm, please explain precisely how the boundary aspect ratios for the AFCS were determined.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.


Stephanie S. Wallace

Washington, D.C. 20268-0001
April 3, 2000