

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  
TO INTERROGATORIES OF THE ALLIANCE OF NONPROFIT MAILERS  
REDIRECTED FROM WITNESS RAMAGE  
ANM/USPS-T2-20-22

The United States Postal Service hereby provides its responses to the following interrogatories of the Alliance of Nonprofit Mailers: ANM/USPS-T2-20-22, filed on March 23, 2000, and redirected from witness Ramage.

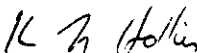
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE


By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
\_\_\_\_\_  
Kenneth N. Hollies

**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.

  
\_\_\_\_\_  
Kenneth N. Hollies

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April 6, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE  
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(REDIRECTED FROM WITNESS RAMAGE)**

**ANM/USPS-T2-20.** Please refer to ANM/USPS-T2-3. Your response is "I have not studied the matter." Please redirect the question to someone who has.

**RESPONSE:**

The AFSM 100 is more productive than the FSM 881 which it will be replacing, so it will require fewer employees to process the same volume of mail. However, the time required to prepare the same volume of mail for AFSM 100 processing is uncertain at this time, but allied labor is currently expected to have little change in its proportions of mixed mail or not handling readings.

The proportion of not-handling observations or the proportion of mixed mail observations for employees operating the AFSM 100 should not change materially. If the sampled employee is operating a piece-handling machine (with mail present) and the employee is not handling mail, then the data collector selects the nearest piece of mail from the machine and records its characteristics. This policy applies to a variety of piece sorting machines and will apply to the AFSM 100s just as it currently does for the FSMs. The selection of a single piece of mail from the machine results in "direct mail" as opposed to either "mixed mail" or a "not handling" observations. See USPS-LR-I-14, page 11-35.

Data collection procedures for IOCS sampled clerks keying images at the AFSM 100s are not yet finalized, but may result in a high proportion of direct mail observations. At this point in time, it is not clear whether the overall proportion of "mixed mail" or "not handling" observations from AFSM 100s will increase as compared to the FSM 881s.

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**ANM/USPS-T2-21.** Please refer to ANM/USPS-T2-4. Your response is "I have not studied the matter." Please redirect the question to someone who has.

**RESPONSE:**

The deployment of robotics and TMS will be associated with a decrease in the number of clerks and mailhandlers in the affected facilities. These systems will decrease the amount of clerk/mailhandler time spent moving empty equipment, the amount of "not handling" time, the time handling single trays of mail, and the direct mail handling time.

The greatest implication for IOCS is that for a given level of volume, there would be less in-office labor cost due to the presence of fewer sampled employees. This should be associated with decreases in IOCS cost estimates of direct mail, handling mail, mixed mail, moving empty equipment, and most other clerk/mailhandler costs. With the intention of reducing both the numerator and the denominator in ratios such as "the percentage of not-handling" or "the percentage of mixed mail" costs, it is not clear whether these ratios will increase or decrease.

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**ANM/USPS-T2-22.** Please refer to ANM/USPS-T2-9(c) and (e). Your response to each part is "I have not studied the relationship between the proportion of mixed mail observations and CVs." Please redirect the questions to a Postal Service witness who can answer them, or to the Postal Service itself.

**RESPONSE:**

The Postal Service has not studied the relationship between the proportion of mixed mail and CVs or the relationship between not handling tallies and CVs.