

BEFORE THE
POSTAL RATE COMMISSION

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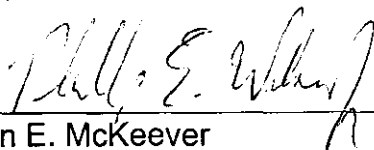
POSTAL RATE AND FEE CHANGES, 2000

DOCKET NO. R2000-1

FOLLOW-UP INTERROGATORIES OF UNITED
PARCEL SERVICE TO UNITED STATES POSTAL
SERVICE WITNESS XIE
(UPS/USPS-T1-66 through 78)
(April 13, 2000)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves this follow-up interrogatory directed to United States Postal Service witness Xie: UPS/USPS-T1-66 through 78.

Respectfully submitted,


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Of Counsel.

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UPS/USPS-T1-66. Refer to your response to interrogatory UPS/USPS-T1-34 regarding the TRACS Highway Subsystem (USPS-LR-I-52). Explain the following details of the data collection process:

- a) How do you ensure that Priority Mail is retained for sampling rather than immediately moved to the next processing operation or other stage of handling?
- b) Do containers, pallets, and/or loose items contain markings, labels or other indications that they contain Priority Mail?
- c) Given that a TRACS test can take considerable time, what steps are taken to avoid delaying the movement of Priority Mail?
- d) *Have any audits, studies, or surveys been conducted to determine whether Priority Mail movement is evading the TRACS inspection procedure? If so, provide copies of the management reports describing the outcome of the audits.*

UPS/USPS-T1-67. Refer to your response to interrogatories UPS/USPS-T1-38 through 41 regarding the sample design process for the TRACS Highway System (USPS-LR-I-52) for the fourth quarter of FY1998, in which you confirm that records are dropped during the process of matching the NASS and the Highway Pay Master File. For all quarters in FY1998, identify the fraction of records dropped due to non-Highway records in NASS, the fraction dropped due to box routes in NASS, the fraction dropped due to the NASS record representing an emergency or exceptional service movement, and the fraction dropped due to other major reasons, with explanations of the reasons those drops occur.

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UPS/USPS-T1-68. Refer to the Postal Service's response to interrogatory UPS/USPS-T1-42 regarding TRACS Highway Subsystem data files. In collecting data for TRACS, is it common or typical that the sequence in which containers, pallets, and loose items are recorded is the same in which they are unloaded or selected? If not, explain why selection would not occur in the sequence of unloading, or recording of data would not occur in the sequence of unloading or selection.

UPS/USPS-T1-69. Refer to your response to interrogatory UPS/USPS-T1-42(c) in which you indicate that "the selection process was revised to ensure that HASP facilities are included in the same stratum as BMC's and SCF's." Prior to revision, in what strata were movements into and out of HASP facilities included, and in what proportions?

UPS/USPS-T1-70. Refer to your response to UPS/USPS-T1-43 regarding the TRACS Highway Subsystem (USPS-LR-I-52).

- a) On what day(s) were the HCSS samples drawn for the TRACS Highway Subsystem data collection process?
- b) On what day(s) were the HCSS samples drawn that witness Bradley (USPS-T18) used in his empirical work estimating highway volume variability?
- c) Are the samples used as inputs to the estimation of volume variability identical to the samples used as inputs to the calculation of distribution keys? Are they one and the same?
- d) Have you done any analyses to verify that your sample, used in

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calculating distribution keys, matches or is representative of the sample used in estimating variability? In particular,

- i. Describe the analyses.
- ii. Do the samples represent the same period of time?
- iii. Do the samples match in the distribution of observations across contract types and strata?
- iv. Are the samples similar in terms of average capacity per segment, average miles per segment, or other variable?

UPS/USPS-T1-71. Refer to your response to UPS/USPS-T1-47 regarding data on Emergency and Exceptional contracts. Does the presence of Emergency contracts in the Highway Pay Master File mean that movements operated under emergency contracts are part of the TRACS Highway Subsystem sample? If so, provide the fraction of the sample that represents Emergency contracts.

UPS/USPS-T1-72. Refer to the Postal Service's response to UPS/USPS-T1-52. Provide summary data on the movement of containers monitored by the TIMES system. Provide the frequency distributions on the variables in the dataset for PY1998, or alternatively for the currently available period. If possible, also provide information separately by mail class or mail sub-class, and/or by highway contract type (Inter-BMC, Intra-BMC, Inter-SCF, Intra-SCF).

UPS/USPS-T1-73. Refer to the Postal Service's response to UPS/USPS-T1-54, which includes a page of a TIMES daily log report.

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a) Confirm that none of the entries on this page recorded the number of containers, pallets, or hampers or the number of Express items.

b) What proportion of entries in the TIMES system record container, pallet, hamper and Express item counts?

c) It appears that the fields listed in (a) above are not used. Why are these fields in the database if they are not in use? If these fields are occasionally used, for what purpose are they used, and how can such uses rely on partial collection of the data?

d) Confirm that none of the entries on this page recorded the percent of load preferential mail, the percent of load Priority, or the percent of load bedloaded.

e) What proportion of entries in the TIMES system record these percentages?

f) It appears that the fields listed in (d) above are not used. Why are these fields in the database if they are not in use? If these fields are occasionally used, for what purpose are they used, and how can such uses rely on partial collection of the data?

UPS/USPS-T1-74. Refer to the Postal Service's response to UPS/USPS-T1-57. Provide detailed definitions of the following variables and concepts mentioned in your response, and respond to the associated questions.

a) Define "percent of floor space utilized." Which field or fields in the TIMES database correspond to this concept?

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- b) Define the variable "percent of load preferential mail." What sub-classes of mail are considered to be preferential?
- c) Define the variable "percent of load Priority." Is this calculated as percent of the truck capacity, percent of the mail loaded, percent of the load full, or otherwise?
- d) Define the variable "percent of load full."
- e) Define the variable "percent of load bedloaded." Does the term "bedloaded" refer to loose items?
- f) In the above variable definitions, are percentages calculated with respect to volume or to container/hamper/pallet count?
- g) In the above variable definitions, are percentages calculated with respect to the empty space prior to loading, to vehicle capacity, or to the space occupied by the entire mail volume loaded at that stop?
- h) Based on the information recorded in TIMES, how would one calculate the percentage of the truck that is empty?
- i) Does TIMES record information on all mail in the truck, or just mail that is loaded or unloaded at the facility?
- j) Are the variables for code 5500 and code 5466 assigned "yes" or "no" values? What does "not in full compliance with his contractual responsibilities" mean?
- k) Witness Bradley, in his response to UPS/USPS-T18-2 (k), indicates

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that information from Form 5429 is recorded in TIMES. What information, and in which listed variables, is recorded? If such information is not recorded in the variables listed, identify the variables in which it is recorded, along with any other TIMES variables not listed in your response, and provide definitions for the variables.

UPS/USPS-T1-75. Refer to the Postal Service's response to UPS/USPS-T1-59.

a) Witness Bradley, in his response to UPS/USPS-T18-2(k), indicates that information from Form 5429 is entered into TIMES. Into what variables in TIMES is that information entered? Does the information entered include whether the movement was under an emergency contract or was for exceptional service?

b) Is it possible to identify the flow of containers related to highway movements on emergency contracts in the TIMES database, or to match TIMES records to another database that records whether a movement is on an emergency contract? If so,

- i. For those records in TIMES where data has been entered for the variables Percent of Load Preferential Mail, Percent of Load Priority, Percent of Load Full, or Percent of Load Bedloaded, provide the frequency distribution and average value of these variables for all records, and for records representing movements made on an emergency contract.
- ii. For those records in TIMES where data has been entered for the variables Number of GPC Containers Empty and Full,

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Number of BMC Containers Empty and Full, Number of Amtrak Containers Empty and Full, Number of Hampers Empty and Full, Number of Pallets (and Pallet Boxes) Empty and Full, and Express Mail Items, provide the frequency distribution and average value of these variables for all records, and for records representing movements made on an emergency contract.

- c) Is it possible to identify the flow of containers related to exceptional service highway movements in the TIMES database, or to match TIMES records to another database that records whether a movement is for exceptional service? If so,
- i. For those records in TIMES where data has been entered for the variables Percent of Load Preferential Mail, Percent of Load Priority, Percent of Load Full, or Percent of Load Bedloaded, provide the frequency distribution and average value of these variables for all records, and for records representing movements made for exceptional service.
 - ii. For those records in TIMES where data has been entered for the variables Number of GPC Containers Empty and Full, Number of BMC Containers Empty and Full, Number of Amtrak Containers Empty and Full, Number of Hampers Empty and Full, Number of Pallets (and Pallet Boxes) Empty

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and Full, and Express Mail Items, provide the frequency distribution and average value of these variables for all records, and for records representing movements made for exceptional service.

UPS/USPS-T1-76. Refer to your response to UPS/USPS-T1-62, regarding the Emery contract for Priority Mail.

a) Identify whether air operations movements paid under the Emery contract for the PMPC network are included in the ACSS extract file from which the TRACS Commercial Air Subsystem is drawn.

b) Indicate whether the TRACS SAS programs specifically exclude such movement records. If so, indicate the line number and location of the relevant SAS logs.

UPS/USPS-T1-77. Refer to the Postal Service's response to interrogatories T1-18, 22, 25 and 26, and to Library Reference USPS-LR-I-288, regarding variables in the TRACS system. Provide a full description of each variable in Library Reference USPS-LR-I-288.

UPS/USPS-T1-78. Refer to the Postal Service's response to interrogatory UPS/USPS-T1-22, which identifies a file named LAXSTN.PS272D14(0) (NASS for Network Air), and interrogatory UPS/USPS-T1-25, which identifies a file named LAXSTN.PS272D13(0) (NASS for Highway).

a) Define the meaning of "Transportation Codes" and its value "N,"

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used in these files. Is this the same as the variable "WS-OUT-TRANS-CODE"?

b) Is LAXSTN.PS272D14(0) composed solely of network air records?

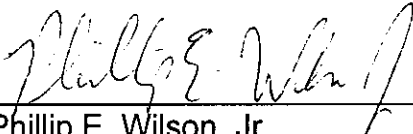
If not, of what is it composed?

c) Is LAXSTN.PS272D13(0) composed solely of highway records? If

not, of what is it composed?

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document by first class mail, postage prepaid, in accordance with Section 12 of the Commission's Rules of Practice.



Phillip E. Wilson, Jr.
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Dated: April 13, 2000
Philadelphia, Pa.

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