

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 THE UNITED STATES POSTAL SERVICE
WITNESS CRUM TO POSTCOM INTERROGATORY
(POSTCOM/USPS-T27-7)

The United States Postal Service hereby provides the response of witness Crum to the following interrogatory of the Association for Postal Commerce: PostCom/USPS-T27-7, filed on April 3, 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


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April 17, 2000

**POSTAL SERVICE WITNESS CHARLES L. CRUM
RESPONSE TO INTERROGATORY
OF ASSOCIATION FOR POSTAL COMMERCE**

PostCom/USPS-T27-7. Please refer to your response to AAP/USPS-T-27-10, in which you state that “[n]one of the entry points described [in Attachment H] are necessarily inconsistent with current postal operations.”

- a) Please confirm that Attachment H to your testimony reflects entry profile data for all bound printed matter (BPM) container types, including bedloaded bundles. If not confirmed, please explain the basis for excluding BPM bedloaded bundle data.

- b) Please confirm that mailer entry of bedloaded BPM is not “inconsistent with current postal operations.” If not confirmed, please explain the reasons and basis for your answer and provide copies of any studies, reports, assumptions, estimates, or analyses upon which you rely in formulating your response.

- c) Please explain the reasons and basis for your statement in Attachment J, Table 2.2, note [3]: “Bedloaded bundles excluded because assumed they will not be allowed in Test Year,” and provide copies of studies, reports, assumptions, estimates, or analyses upon which you have relied in making this statement.

- d) In response to PSA/USPS-T26-3, Witness Eggleston stated: “The estimated percentage of bedloaded DBMC mail that is used in my models is 96.2 percent.” Please state the percentage of BPM that is bedloaded when presented to the Postal Service. Please explain the reasons and basis for your response and provide copies of studies, reports, assumptions, estimates, or analyses upon which you have relied in formulating your response.

- e) Please state whether presentation by a mailer of bedloaded bundles of BPM at the (i) DBMC and (ii) DSCF will be eligible for the proposed new drop entry discounts for BPM. If your answer is no, please identify the container types that will be accepted. Please explain the reasons and basis for your answer(s) and provide copies of any studies, reports, assumptions, estimates, or analyses upon which you rely in formulating your response(s).

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RESPONSE

- a. Confirmed that the intent of Attachment H is to include all BPM container types.
- b. Not confirmed. The statement you quote refers to entry points and not containerization. It is my understanding that bedloaded bundles are not consistent with any handling methods currently employed by the Postal Service to unload trailers other than completely manual handling. Sacked mailings can be unloaded at the BMCs with extendible conveyors and processed on the sack sorters. Palletized mailings can be quickly offloaded and either cross-docked or moved to a sorting operation. It is my understanding that the Postal Service has aggressively worked to unitize their loads to realize the associated labor cost savings.
- c. My assumption was based on preliminary discussions that used Standard Mail (A) as a starting point. It is my understanding that bedloading is not an option for dropshipped Standard Mail (A) letters, flats, or parcels. The preparation requirements will be filed in a Federal Register notice in July. Please refer to the Postal Service response to AAP/USPS-T27-16.
- d. According to the Bound Printed Matter Mail Characteristics Study, about 10.8 percent of bulk BPM is currently presented as bedloaded bundles. Container type was a question included in this study. I summed all pieces

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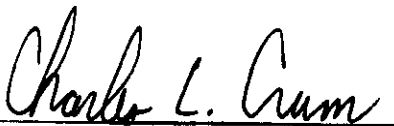
with container type "14=Bedloaded Bundles" and divided by the total bulk volume.

- e. Please refer to the Postal Service response to AAP/USPS-T27-16.

Bedloaded bundles, however, are not consistent with my assumptions as presented in Attachment J.

DECLARATION

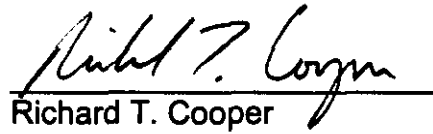
I, Charles L. Crum, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.


CHARLES L. CRUM

Dated: 17 APRIL 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.


Richard T. Cooper

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