

Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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OFFICE OF THE SECRETARY

Postal Rate and Fee Changes

Docket No. R2000-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE
WITNESS HARAUSH TO QUESTIONS ASKED DURING HEARINGS

The United States Postal Service hereby provides the responses of witness Haraush to inquiries from Commissioner Covington (Tr. 16/6681) and Commissioner Goldway (Tr. 16/6679) during hearings on May 2, 2000.


The questions are stated verbatim and are followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
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May 10, 2000

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS HARAHUSH TO QUESTION
RAISED BY COMMISSIONER COVINGTON DURING HEARINGS

Question of Commissioner Covington at Tr. 16/6681:

Q And I also notice that in R97-1, you sponsored a Library Reference H-89, which was statistical systems documentation, and I believe it contains summary tables giving universe and sample sizes for the city carrier and rural carrier data systems? . . .

Okay. My first question would be, could you provide a similar table in hard copy form as a follow-up to your appearance here at the Commission today, or would you be able to identify for me, where it appears in what you may have already submitted as it relates to R2000-1?

Response:

The requested table is attached.

Fiscal Year 1998 Sample and Universe Sizes by Stratum for the Carrier Cost Systems

Quarter	System	Stratum	Stratum Description	Sample Size	Universe Size	Delivery Days	Route Deliv Days	Sampling Rate	Effective Sample	Effective Samp Rate
1	City	1A	Business routes CAG A - E	124	4,547	69	313,743	0.000395	97	0.000309
		1B	Residential routes CAG A - E	1,674	146,354	69	10,098,426	0.000166	1,636	0.000162
		2A	Business routes CAG F - L	1	49	69	3,381	0.000296	1	0.000296
		2B	Residential routes CAG F - L	145	14,045	69	969,105	0.000150	143	0.000148
		1C	In district with more than 20 rural routes	1,355	59,327	69	4,093,563	0.000331	1,332	0.000325
		2C	In district with 20 or less rural routes	2	37	69	2,553	0.000783	2	0.000783
2	City	1A	Business routes CAG A - E	127	4,724	68	321,232	0.000395	101	0.000314
		1B	Residential routes CAG A - E	1,674	146,209	68	9,942,212	0.000168	1,635	0.000164
		2A	Business routes CAG F - L	1	49	68	3,332	0.000300	1	0.000300
		2B	Residential routes CAG F - L	143	13,986	68	951,048	0.000150	140	0.000147
		1C	In district with more than 20 rural routes	1,340	59,540	68	4,048,720	0.000331	1,326	0.000328
		2C	In district with 20 or less rural routes	2	36	68	2,448	0.000817	2	0.000817
3	City	1A	Business routes CAG A - E	133	4,686	72	337,392	0.000394	111	0.000329
		1B	Residential routes CAG A - E	1,658	146,283	72	10,532,376	0.000157	1,651	0.000157
		2A	Business routes CAG F - L	1	50	72	3,600	0.000278	1	0.000278
		2B	Residential routes CAG F - L	151	13,987	72	1,007,064	0.000150	149	0.000148
		1C	In district with more than 20 rural routes	1,427	59,885	72	4,311,720	0.000331	1,419	0.000329
		2C	In district with 20 or less rural routes	2	36	72	2,592	0.000772	2	0.000772
4	City	1A	Business routes CAG A - E	172	4,689	93	436,077	0.000394	157	0.000360
		1B	Residential routes CAG A - E	2,223	146,459	93	13,620,687	0.000163	2,199	0.000161
		2A	Business routes CAG F - L	1	47	93	4,371	0.000229	1	0.000229
		2B	Residential routes CAG F - L	196	14,005	93	1,302,465	0.000150	195	0.000150
		1C	In district with more than 20 rural routes	1,876	60,931	93	5,666,583	0.000331	1,867	0.000329
		2C	In district with 20 or less rural routes	3	36	93	3,348	0.000896	3	0.000896

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS HARAHUSH TO QUESTION
RAISED BY COMMISSIONER GOLDWAY DURING HEARINGS

Question of Commissioner Goldway at Tr. 16/6679:

Q And I'm just wondering what the relative proportions are for your study versus RPW, so that when costs are apportioned, the proportions are correct.

Response:

The attached sheet shows, for classes and subclasses of mail, volumes and proportions of total mail counted by the City Carrier Cost System (CCCS) and the Rural Carrier Cost System (RCCS), and the Revenues, Pieces, and Weights System (RPW). Additionally, the mail volume of the two carrier systems have been combined so they can be compared to RPW both by proportion and volume. Volumes by shape are not shown since RPW does not report shape.

The RPW system estimates volume of mail for all forms of delivery. The RCCS estimates volume for rural carrier routes, while the CCCS estimates volume for city letter routes. As a result, the RPW system includes mail delivered to customers via other delivery methods – firm holdouts, box sections, and caller service recipients, for example. Volumes of mail not delivered on rural and city letter routes but reported in RPW will contribute to volume differences shown in the attached table.

FISCAL YEAR 1998

COMPARISON OF VOLUMES FROM CARRIER COST SYSTEM AND RPW

Carrier	Volume	Proportion	Carrier	Volume	Proportion	Carrier	Volume	Proportion	Carrier	Volume	Proportion	Carrier	Volume	Proportion	
City	City	City	Rural	Rural	Rural	City+Rural	City+Rural	City+Rural	City+Rural	City+Rural	City+Rural	City+Rural	City+Rural	City+Rural	
Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	
Carrier	Carrier	Carrier	Carrier	Carrier	Carrier	Carrier	Carrier	Carrier	Carrier	Carrier	Carrier	Carrier	Carrier	Carrier	
Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	Volume	
RPW	RPW	RPW	RPW	RPW	RPW	RPW	RPW	RPW	RPW	RPW	RPW	RPW	RPW	RPW	
Proportion	Proportion	Proportion	Proportion	Proportion	Proportion	Proportion	Proportion	Proportion	Proportion	Proportion	Proportion	Proportion	Proportion	Proportion	
of RPW	of RPW	of RPW	of RPW	of RPW	of RPW	of RPW	of RPW	of RPW	of RPW	of RPW	of RPW	of RPW	of RPW	of RPW	
First-Class Mail:															
Sngl Pc Ltrs, Fts, Prci	24,144,715	0.209	7,460,168	0.194	31,604,883	0.206	54,273,024	0.353	0.582	0.874	0.264	0.019	0.829	0.753	0.712
Prci Ltrs, Fts, Prci	26,590,322	0.231	8,933,753	0.233	35,524,075	0.231	40,634,252	0.264	0.874	0.829	0.017	0.510	0.775	0.466	3.702
Sngl Pc Cards	1,837,208	0.016	626,878	0.016	2,464,086	0.016	2,971,751	0.019	0.829	0.753	0.013	0.510	0.775	0.466	3.702
Prci Cards	1,411,091	0.012	512,517	0.013	1,923,608	0.013	2,555,124	0.017	0.753	0.712	0.006	0.510	0.775	0.466	3.702
Total First-Class	53,983,336	0.468	17,533,311	0.456	71,516,647	0.465	100,434,151	0.510	0.712	0.712	0.006	0.510	0.775	0.466	3.702
Priority Mail	690,480	0.006	219,850	0.006	910,330	0.006	1,174,425	0.006	0.775	0.712	0.000	0.510	0.775	0.466	3.702
Express Mail	28,296	0.000	2,598	0.000	30,894	0.000	66,244	0.000	0.466	0.712	0.000	0.510	0.775	0.466	3.702
Mailables	10,813	0.000	5,113	0.000	15,926	0.000	4,302	0.000	3.702	0.712	0.000	0.510	0.775	0.466	3.702
Periodicals	6,537,562	0.057	2,796,928	0.073	9,334,490	0.061	10,316,751	0.052	0.905	0.712	0.052	0.510	0.775	0.466	3.702
Standard Mail (A):															
Single Piece	27,656	0.000	12,575	0.000	40,231	0.000	150,276	0.001	0.268	0.712	0.001	0.510	0.775	0.466	3.702
Regular - ECR	24,116,625	0.209	7,124,337	0.185	31,240,962	0.203	34,059,127	0.173	0.917	0.712	0.203	0.510	0.775	0.466	3.702
Regular - Other	21,413,152	0.186	8,031,888	0.209	29,445,040	0.191	35,087,014	0.178	0.839	0.712	0.191	0.510	0.775	0.466	3.702
Nonprofit ECR	1,276,859	0.011	329,070	0.009	1,605,929	0.010	2,647,088	0.013	0.607	0.712	0.010	0.510	0.775	0.466	3.702
Nonprofit - Other	6,280,522	0.054	2,005,231	0.052	8,285,753	0.054	10,564,636	0.054	0.784	0.712	0.054	0.510	0.775	0.466	3.702
Total Standard Mail (A)	53,114,812	0.460	17,503,102	0.456	70,617,914	0.459	82,508,141	0.419	0.856	0.712	0.459	0.510	0.775	0.466	3.702
Standard Mail (B):															
Parcel Post	172,764	0.001	79,479	0.002	252,243	0.002	316,148	0.002	0.798	0.712	0.002	0.510	0.775	0.466	3.702
Bound Printed Matter	233,561	0.002	106,223	0.003	339,784	0.002	488,413	0.002	0.696	0.712	0.002	0.510	0.775	0.466	3.702
Special Standard Mail	80,083	0.001	31,148	0.000	111,231	0.001	191,093	0.001	0.582	0.712	0.001	0.510	0.775	0.466	3.702
Library Mail	16,529	0.000	4,694	0.003	21,223	0.000	27,728	0.000	0.765	0.712	0.000	0.510	0.775	0.466	3.702
Total Standard Mail (B)	502,936	0.004	221,546	0.006	724,482	0.005	1,023,382	0.005	0.708	0.712	0.005	0.510	0.775	0.466	3.702
USPS	129,706	0.001	34,417	0.001	164,123	0.001	380,103	0.002	0.432	0.712	0.001	0.510	0.775	0.466	3.702
Free for Blind, Handicapped	27,396	0.000	9,648	0.000	37,044	0.000	53,169	0.000	0.697	0.712	0.000	0.510	0.775	0.466	3.702
International Mail	326,416	0.003	60,514	0.002	386,930	0.003	944,022	0.005	0.410	0.712	0.003	0.510	0.775	0.466	3.702
Total All Mail	115,351,751	1.000	38,414,599	1.000	153,766,350	1.000	196,904,691	1.000	0.781	0.712	1.000	0.510	0.775	0.466	3.702

DECLARATION

I, Thomas W. Harahush, hereby declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information and belief.

Thomas W. Harahush
Thomas W. Harahush

Date: 5/10/00

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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May 10, 2000