

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 INTERROGATORY OF
MAGAZINE PUBLISHERS OF AMERICA
(MPA/USPS-66)

The United States Postal Service hereby provides its response to the following interrogatory of Magazine Publishers of America: MPA/USPS-66, filed on July 21, 2000.

The 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


Susan M. Duchek

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August 14, 2000

**RESPONSE OF UNITED STATES POSTAL SERVICE TO
INTERROGATORIES OF MAGAZINE PUBLISHERS OF AMERICA, INC.**

MPA/USPS-66. Please refer to LR-I-404 at 10-3 where it states, "the volume variable costs of rural carrier workhours are determined from a variability analysis developed in accordance with the evaluated time and factors of workload for all 40,933 routes in the FY1999 National Mail Count." Please refer further to LR-I-335, cs10out.xls. Finally, refer to the Postal Service's response to MPA/USPS-1 and MPA/USPS-49.

- a. How many RCCS tests were performed during the period when the FY 1999 National Mail Count was performed?
- b. How many RCCS tests were performed in FY 1999?
- c. Please confirm that the RCCS flats percentage that was used to perform the rural carrier mail shape adjustment for FY 1999 was developed using RCCS data for the period during the FY 1999 National Mail Count.
- d. Please provide the RCCS flats percentage for the period during the FY 1999 National Mail Count.
- e. Please provide the RCCS flats percentage for the entire FY 1999 fiscal year.
- f. Please provide the coefficient of variation for the RCCS flats percentage for the period during the FY 1999 National Mail Count.
- g. Please provide the coefficient of variation for the RCCS flats percentage for the entire FY 1999 fiscal year.
- h. What percentage of RCCS tests that were originally scheduled during the FY 1999 NMC period were rescheduled?
- i. Please provide an update to USPS-LR-I-335 using FY 1999 data.

RESPONSE:

- a. 200.
- b. 6220.
- c. Confirmed.
- d. 6.22% of letters are reclassified as flats. Letters are defined as the combination of DPS, Sector Segment, and Other Letters.

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- e. 9.72% of letters are reclassified as flats. Letters are defined as the combination of DPS, Sector Segment, and Other Letters.
- f. The coefficient of variation is estimated to equal 1.7% for the flats percentage derived from the two-week FY 1999 National Mail Count. This 1.7% equals a standard error of 0.005918 divided by an estimated flats percentage of 35.4%.
- g. The FY 1999 – Q3 and Q4 data tapes required to calculate this coefficient of variation are not available at this time. Only the Q1 and Q2 tapes are available. Based on data from these Q1/Q2 tapes, a flats percentage of 33.0% was calculated. The coefficient of variation for this percentage is 0.43%, which equals a standard error of 0.0014252 divided by 0.33.
- h. 15.3.
- i. A modification to the CS10.xls workbook supplied in USPS-LR-I-278 has been filed in USPS-LR-I-449. This workbook has different distribution keys than the workbook filed in USPS-LR-I-335. DPS and Sector Segment distribution keys from RCCS became available in the third and fourth quarters of FY 1999. The estimated percentages of DPS and Sector Segment that were used in BY 1998 are no longer needed. The distribution keys for DPS, Sector Segment, Other Letters, and Flats in USPS-LR-I-278 and USPS-LR-I-449 are for the last two quarters of FY 1999 only to allow the usage of these new distribution keys for DPS and Sector Segment. The flats percentage in USPS-LR-I-449 uses a full year's RCCS volume for DPS, Sector Segment, Other Letters, and Flats.

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.

A handwritten signature in black ink, appearing to read "Susan M. Duchek", is written over a solid horizontal line.

Susan M. Duchek

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