

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, 2001

Docket No. R2001-1

INTERROGATORIES OF
ASSOCIATION FOR POSTAL COMMERCE
TO USPS WITNESS KIEFER
(POSTCOM/USPS-T-33-1-6)

Pursuant to Sections 25 and 26 of the rules of practice, the Association for Postal Commerce submits the attached interrogatories to USPS witness Kiefer: PostCom/USPS-T-33-1-6.

Respectfully submitted,



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October 11, 2001

Kiefer Interrogatories

POSTCOM/USPS-T33-1. Please refer to page 19 of USPS-T-39 where witness Kingsley states, "This supports limiting the proposed BPM flats barcode discount and the flat and parcel rate distinction (witness Kiefer, USPS-T-33) to AFSM 100 compatible criteria."

(a) Is the Postal Service planning to limit eligibility for the BPM flats discount of \$0.08 to flats that are AFSM 100 compatible?

(b) If your response to subpart (a) is yes, please list all AFSM 100 compatibility criteria. If the AFSM 100 compatibility criteria have not been finalized yet, please provide the Postal Service's best guess at what the AFSM 100 compatibility criteria will be and indicate by when the AFSM 100 compatibility criteria will be finalized.

(c) If your response to subpart (a) is no, please provide the definition of a flat that will be used to determine eligibility for the flats discount. If the criteria have not been finalized yet, please provide your best guess at what the criteria will be and indicate by when the criteria will be finalized.

(d) Is the Postal Service planning to limit the eligibility for the BPM flats barcode discount to flats that are AFSM 100 compatible? If not, what will the eligibility requirements be? If the eligibility requirements have not been finalized yet, please provide your best guess at what the requirements will be and indicate when the requirements will be finalized.

(e) Will all barcoded, DBMC, non-carrier route BPM pieces that are processed at a BMC be eligible for either the parcel barcode discount or the flat barcode discount? If your answer is anything but an unqualified yes, please explain what types of barcoded, DBMC, non-carrier route pieces will not be eligible for a barcode discount and estimate the percentage of BPM pieces that fall into these categories.

(f) Will all barcoded, DSCF, non-carrier route BPM pieces be eligible for either the parcel barcode discount or the flat barcode discount? If your answer is anything but an unqualified yes, please explain what types of barcoded, DSCF, non-carrier route pieces will not be eligible for a barcode discount and estimate the percentage of BPM pieces that fall into these categories.

POSTCOM/USPS-T33-2. Please refer to USPS-LR-J-106, SWP2-1.

(a) Are the volume figures in this workpaper FY 2000 volumes? If not, please explain fully.

(b) Please confirm that this workpaper shows that 45.9 percent of presorted BPM pieces are flats, 68.9 percent of CR presorted BPM pieces are flats, and 44.6 percent of Single-Piece BPM pieces are flats. If not confirmed, please provide the right figures.

(c) Please confirm that these flat volume shares from SWP2-1 were used to determine the TYAR volume of BPM flats that will be eligible for the BPM flats rates. If not confirmed, please explain fully.

(d) Please provide the exact definition of a flat that was used to develop the BPM flats volume shares shown in SWP2-1. Please also describe the data source that was used to produce SWP2-1.

POSTCOM/USPS-T33-3. Please refer to BPM-WP-3. Please describe the original source of the FY 2000 billing determinant data shown on this workpaper. For example, are the billing determinants derived directly from mailing statements or do they come from the Domestic RPW system?

POSTCOM/USPS-T33-4. Please refer to SWP3.1.

(a) Please confirm that the BPM Mail Category dropship volume shares shown in this workpaper are used to determine TYAR BPM dropship volumes and were derived from FY 2001 RPW data. If not confirmed, please explain fully.

(b) Please confirm that the FY 2001 data used to develop the dropship volume shares in SWP3-1 were only for a portion of FY 2001. If confirmed, from what portion of FY 2001 were the dropship volume shares derived? If not confirmed, please explain fully.

(c) Has the Postal Service or any of its contractors analyzed how dropship patterns for BPM changed after implementation of Docket No. R2000-1 rates? If so, please provide a copy of each analysis. If not, please provide your best guess at how they have changed.

(d) Are any data available from which one could derive the extent to which BPM dropship patterns changed after the implementation of Docket No. R2000-1 rates? If so, please provide the data in an electronic spreadsheet or database format.

(e) Has the Postal Service or any of its contractors estimated the cost savings that will result from the shift in BPM dropship patterns that resulted from the implementation of Docket No. R2000-1 rates? If so, please provide a copy of each analysis. If not, please provide your best guess as to how much these changes in dropship patterns will reduce TYAR BPM costs.

(f) Has the Postal Service or any of its contractors performed any adjustments to Test Year BPM costs to reflect the savings that will result from increased dropshipping? If so, please provide a citation to where the Postal Service made the adjustment.

(g) Does the Postal Service have any data (whether from RPW or a mail characteristics study) on FY 2000 dropship volume shares. If so, please provide a version of SWP3-1 based upon FY 2000 data.

(h) Please identify all FY 2001 BPM mail volume and mail mix data that you used to develop TYAR BPM billing determinants and explain how you used the data to determine TYAR billing determinants.

POSTCOM/USPS-T33-5. Please refer to WP-BPM-12 and WP-BPM-15.

(a) Please confirm that the proposed DBMC piece rates pass through 56.4 percent of the DBMC per-piece cost difference identified on WP-BPM-12.

(b) Please confirm that the proposed DSCF piece rates pass through 64.6 percent of the DSCF per-piece cost difference identified on WP-BPM-12.

(b) Please confirm that the proposed DDU piece rates pass through 64.3 percent of the DDU per-piece cost difference identified on WP-BPM-12.

POSTCOM/USPS-T33-6. Please refer to footnote 3 of Schedule 522C. Please explain why flats weighing "one pound or less" are ineligible for Destination Delivery Unit Rates?

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record to date in this proceeding in accordance with section 12 of the rules of practice.



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