BEFORE THE POSTAL RATE COMMISSION

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POSTAL RATE AND FEE CHANGES, 2001

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INTERROGATORIES OF UNITED PARCEL SERVICE TO UNITED STATES POSTAL SERVICE WITNESS KINGSLEY (UPS/USPS-T39-1 through 59) (November 1, 2001)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby

serves the following interrogatories directed to United States Postal Service Witness

Kingsley: UPS/USPS-T39-1 through 59.

Respectfully submitted,

John E. McKeever Phillip E. Wilson, Jr. Attorneys for United Parcel Service

Piper Marbury Rudnick & Wolfe LLP 3400 Two Logan Square 18th & Arch Streets Philadelphia, PA 19103-2762 (215) 656-3300 (215) 656-3301 (FAX) and 1200 Nineteenth Street, NW Washington, DC 20036-2430 (202) 861-3900

UPS/USPS-T39-1. List by category the sources of origin for all letter-shaped mail processed at MODS facilities (e.g., Associate Offices, BMCs, drop shipment by bulk mailers, etc.)

UPS/USPS-T39-2. For each source of origin for letter-shaped mail processed at MODS facilities, indicate the fraction of incoming letters at MODS facilities arriving from that source in the base year. If exact figures are not available, provide approximate estimates.

UPS/USPS-T39-3. Are incoming letters from the various points of origin for letter-shaped mail processed at MODS facilities processed in the same way? If not, describe the culling and opening operations for incoming letters from each of the points of origin.

UPS/USPS-T39-4. List by category the sources of origin for all flats processed at MODS facilities (e.g., Associate Offices, BMCs, drop shipment by bulk mailers, etc.)

UPS/USPS-T39-5. For each source of origin for all flats processed at MODS facilities, indicate the fraction of incoming flats at MODS facilities arriving from that source in the base year. If exact figures are not available, provide approximate estimates.

UPS/USPS-T39-6. Are incoming flats from the points of origin for all flats processed at MODS facilities processed in the same way? If not, describe the culling and opening operations for incoming flats from each of the points of origin.

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UPS/USPS-T39-7. List by category the sources of origin for all parcels processed at MODS facilities (e.g., Associate Offices, BMCs, drop shipment by bulk mailers, etc.).

UPS/USPS-T39-8. For each of the sources of origin for parcels, processed at MODS facilities, indicate the fraction of incoming parcels at MODS facilities arriving from that source in the base year. If exact figures are not available, provide approximate estimates.

UPS/USPS-T39-9. Are incoming parcels from the various points of origin for parcels processed at MODS facilities processed in the same way? If not, describe the culling and opening operations for incoming parcels from each of the points of origin.

UPS/USPS-T39-10. Refer to page 2, lines 19-20, of your testimony, in which you describe "stamped mail" and "[h]ampers of single-piece collection mail." Is all single piece collection mail stamped mail? If not, what other types of mail are included in the hampers?

UPS/USPS-T39-11. Does all of the stamped mail get processed through the Advanced Facer Cancellation System (AFCS), as described on page 2, lines 19-22, of your testimony?

UPS/USPS-T39-12. Refer to page 2, section A of your testimony ("Letter and Card Mail Processing"), in which you describe mail processing operation "010." On page 2, lines 17 through 18, you state that, "This operation is where letters, flats, and parcels are separated for subsequent handling." Does the discussion on page 2, lines

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15 through 24, of your testimony apply to sections B and C of your testimony, where you discuss flats and parcel processing?

UPS/USPS-T39-13. Is the Advanced Facer Cancellation System part of the allied operations? If so, explain why it is not discussed in section D of your testimony, titled "Allied Operations." If not, explain the distinction between the allied operations described in section D of your testimony (page 26, lines 20-21) and the facing and canceling described in section A of your testimony (page 2, lines 19-24).

UPS/USPS-T39-14. Do all letters, flats, and parcels -- even those that are eventually sorted in the manual operations -- first get processed through the Advanced Facer Cancellation System?

UPS/USPS-T39-15. Refer to page 3, line 17 through page 4, line 7, of your testimony. Are all rejects from the Advanced Facer Cancellation System subsequently processed in manual operations? If not, how are rejects processed?

UPS/USPS-T39-16. Refer to your testimony at page 14, footnote 15, where you state that, "An opening unit is the operational area within a processing facility where sacks and containers of mail are opened and prepared for distribution." Does all incoming mail go through an opening unit operation, including collection mail and all mail incoming from a BMC? If not, describe all types of mail that go through an opening unit operation.

UPS/USPS-T39-17. Does all collection mail arriving at MODS facilities come from local post offices?

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UPS/USPS-T39-18. Describe the types of mail arriving at a MODS facility that are first processed on a Bar Code Sorter (BCS) and hence are counted as part of BCS First Handling Pieces.

UPS/USPS-T39-19. How is First Handling Pieces measured for the mail streams that arrive at a MODS facility and are first processed on a Bar Code Sorter?

UPS/USPS-T39-20. Describe the types of mail that are processed in the Bar Code Sorter ("BCS") operation but do not get counted as First Handling Pieces in the BCS operation.

UPS/USPS-T39-21. Indicate the MODS operations in which the mail streams that are processed in the Bar Code Sorter ("BCS") operation but do not get counted as First Handling Pieces ("FHP") in the BCS operation might get counted as FHP?

UPS/USPS-T39-22. Describe the types of mail arriving at a MODS facility that are first processed on a Bar Code Sorter/Delivery Bar Code Sorter (BCS/DBCS) and hence are counted as part of BCS/DBCS First Handling Pieces.

UPS/USPS-T39-23. How is First Handling Pieces measured for the mail streams arriving at a MODS facility that are first processed on a Bar Code Sorter/Delivery Bar Code Sorter?

UPS/USPS-T39-24. Describe the types of mail that are processed in the Bar Code Sorter/Delivery Bar Code Sorter ("BCS/DBCS") operation but do not get counted as First Handling Pieces in the BCS/DBCS operation.

UPS/USPS-T39-25. Indicate the MODS operations in which the mail streams that are processed in the Bar Code Sorter/Delivery Bar Code Sorter ("BCS/DBCS")

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operation but do not get counted as First Handling Pieces ("FHP") in the BCS/DBCS operation might get counted as FHP?

UPS/USPS-T39-26. Describe the types of mail arriving at a MODS facility that are first processed on a Flat Sorting Machine ("FSM") and hence are counted as part of FSM First Handling Pieces.

UPS/USPS-T39-27. How is First Handling Pieces measured for the mail arriving at a MODS facility that are first processed on a Flat Sorting Machine ("FSM")?

UPS/USPS-T39-28. Describe the types of mail that are processed in the Flat Sorting Machine ("FSM") operation but do not get counted as First Handling Pieces in the FSM operation.

UPS/USPS-T39-29. Indicate the MODS operations in which the mail that is processed in the Flat Sorting Machine ("FSM") operation but does not get counted as First Handling Pieces ("FHP") in the FSM operation might get counted as FHP?

UPS/USPS-T39-30. Describe the types of mail arriving at a MODS facility that are first processed on a FSM/1000 and hence are counted as part of FSM/1000 First Handling Pieces.

UPS/USPS-T39-31. How is First Handling Pieces ("FHP") measured for the mail arriving at a MODS facility that is first processed on a Flat Sorting Machine/1000 ("FSM/1000") and hence is counted as part of FSM/1000 FHP?

UPS/USPS-T39-32. Describe the types of mail that are processed in the FSM/1000 operation but do not get counted as First Handling Pieces ("FHP") in the FSM/1000 operation.

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UPS/USPS-T39-33. Indicate the MODS operations in which the mail that is processed in the FSM/1000 operation but does not get counted as First Handling Pieces ("FHP") in the FSM/1000 operation might get counted as FHP?

UPS/USPS-T39-34. Describe the types of mail arriving at a MODS facility that are first processed on an Optical Character Reader (OCR) and hence are counted as part of OCR First Handling Pieces.

UPS/USPS-T39-35. How is First Handling Pieces ("FHP") measured for the mail arriving at a MODS facility that is first processed on an Optical Character Reader (OCR) and hence is counted as part of OCR FHP?

UPS/USPS-T39-36. Describe the types of mail that are processed in the Optical Character Reader ("OCR") operation but do not get counted as First Handling Pieces in the OCR operation.

UPS/USPS-T39-37. Indicate the MODS operations in which the mail that is processed in the Optical Character Reader ("OCR") operation but does not get counted as First Handling Pieces ("FHP") in the OCR operation might get counted as FHP?

UPS/USPS-T39-38. Describe the types of mail arriving at a MODS facility that are first processed on a Small Parcel and Bundle Sorter (SPBS) and hence are counted as part of SPBS First Handling Pieces.

UPS/USPS-T39-39. How is First Handling Pieces measured for the mail arriving at a MODS facility that is first processed on a Small Parcel and Bundle Sorter (SPBS) and hence is counted as part of SPBS First Handling Pieces?

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UPS/USPS-T39-40. Describe the types of mail that are processed in the Small Parcel and Bundle Sorter ("SPBS") operation but do not get counted as First Handling Pieces in the SPBS operation.

UPS/USPS-T39-41. Indicate the MODS operations in which the mail that is processed in the Small Parcel and Bundle Sorter ("SPBS") operation but does not get counted as First Handling Pieces ("FHP") in the SPBS operation might get counted as FHP?

UPS/USPS-T39-42. Describe the types of mail arriving at a MODS facility that are first processed on a Letter Sorting Machine (LSM) and hence are counted as part of LSM First Handling Pieces.

UPS/USPS-T39-43. How is First Handing Pieces measured for the mail arriving at a MODS facility that is first processed on a Letter Sorting Machine (LSM)?

UPS/USPS-T39-44. Describe the types of mail that are processed in the Letter Sorting Machine ("LSM") operation but do not get counted as First Handling Pieces in the LSM operation.

UPS/USPS-T39-45. Indicate the MODS operations in which the mail that is processed in the Letter Sorting Machine ("LSM") operation but does not get counted as First Handling Pieces ("FHP") in the LSM operation might get counted as FHP?

UPS/USPS-T39-46. Describe the types of mail arriving at a MODS facility that are first processed in the Manual Flats operation and hence are counted as part of Manual Flats First Handling Pieces.

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UPS/USPS-T39-47. How is First Handling Pieces measured for the mail arriving at a MODS facility that are first processed in the Manual Flats operation?

UPS/USPS-T39-48. Describe the types of mail that are processed in the Manual Flats operation but do not get counted as First Handling Pieces in that operation.

UPS/USPS-T39-49. Indicate the MODS operations in which the mail that is processed in the Manual Flats operation but does not get counted as First Handling Pieces ("FHP") in that operation might get counted as FHP?

UPS/USPS-T39-50. Describe the types of mail arriving at a MODS facility that are first processed in the Manual Letters operation and hence are counted as part of Manual Letters First Handling Pieces.

UPS/USPS-T39-51. How is First Handling Pieces ("FHP") measured for the mail arriving at a MODS facility that is first processed in the Manual Letters operation?

UPS/USPS-T39-52. Describe the types of mail that are processed in the Manual Letters operation but do not get counted as First Handling Pieces in that operation.

UPS/USPS-T39-53. Indicate the MODS operations in which the mail that is processed in the Manual Letters operation but does not get counted as First Handling Pieces ("FHP") in that operation might get counted as FHP?

UPS/USPS-T39-54. Describe the types of mail arriving at a MODS facility that are first processed in the Manual Priority operation and hence are counted as part of Manual Priority First Handling Pieces.

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UPS/USPS-T39-55. How is First Handling Pieces ("FHP") measured for each type of mail arriving at a MODS facility that is first processed in the Manual Priority operation and hence is counted as part of Manual Priority FHP?

UPS/USPS-T39-56. Describe the types of mail that are processed in the Manual Priority operation but do not get counted as First Handling Pieces in that operation.

UPS/USPS-T39-57. Indicate the MODS operations in which the mail that is processed in the Manual Priority operation but does not get counted as First Handling Pieces ("FHP") in that operation might get counted as FHP.

UPS/USPS-T39-58. Explain the differences between a BMC and an Auxiliary Service Facility (ASF) and what determines whether a parcel is processed at a BMC or an ASF.

UPS/USPS-T39-59. When was the first Auxiliary Service Facility ("ASF") introduced into the postal network?

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.

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Phillip E. Wilson, Jr. Attorney for United Parcel Service

Dated: November 1, 2001 Philadelphia, PA

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