BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268–0001

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001–1

RESPONSE OF UNITED STATES POSTAL SERVICE TO INTERROGATORIES OF OFFICE OF THE CONSUMER ADVOCATE (OCA/USPS–161-166)

The United States Postal Service hereby provides its responses to the following interrogatories of Office of the Consumer Advocate: OCA/USPS–161-166, filed on October 26, 2001.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF OFFICE OF CONSUMER ADVOCATE

OCA/USPS-161 Please refer to the response to OCA/USPS-44(b). Assume two groups of 10,000 letter-shaped pieces are identical in every respect. More specifically, each letter-shaped piece in each group is automation compatible, barcoded and paid a First-Class rate. However, one group weighs one ounce and the other group weighs two ounces.

a. Assume further that the two groups of letter-shaped pieces are processed in one pass on the same Delivery Bar Code Sorter (DBCS). Please confirm that the throughputs and velocities for that pass would be the same for each group. If you do not confirm, please identify and describe all factors that would cause the throughputs and velocities for each group to differ.

b. Assume the same facts above and in part a. Please confirm that the productivities for each group would be the same. If you do not confirm, please identify and describe all factors that would cause the productivities for each group to differ.

c. Assume the same facts above and in part a. Please confirm that the wage rates for each group would be the same. If you do not confirm, please identify and describe all factors that would cause the wage rates for each group to differ.

d. Assume the same facts above and in part a. Please confirm that the total cost and the unit cost for processing each group on the DBCS would be the same. If you do not confirm, please identify and describe all factors that would cause the total and unit costs for each group to differ.

e. Assume the same facts above and in part a., except that each group of letter-shaped pieces is processed in two passes on the same DBCS. Please answer parts a., b., c., and d. assuming that each letter-shaped piece in each group is processed in two passes on the same DBCS.

f. Assume the same facts above and in part a., except that each group of letter-shaped pieces is processed in two passes on the same DBCS. Please confirm that the total cost and the unit cost for processing each group would be twice the cost of each group if processed in one pass on the same DBCS. If you do not confirm, please explain.

g. Please confirm that the responses to parts a. through f. would be the same where the two groups were processed on a Mail Processing Bar Code Sorter (MPBCS) and a Carrier Sequencing Bar Code Sorter (CSBCS), respectively. If you do not confirm, please explain.

h. Please confirm that the responses to parts a. through g. would be the same where the two groups consisted of 100,000, 1 million, and 10 million letter-shaped pieces, respectively. If you do not confirm, please explain.

Response:

(a) Not confirmed. See response to MMA/USPS-T39-1and OCA/USPS-145a. It is highly unlikely that the two groups with different piece weights would be "identical in every respect". In addition to the impact to the throughput described in MMA/USPS-T39-1 due to the piece weight, the pieces could vary in, for example, length. Piece length affects throughput since the average distance between pieces in the transport belts increases as the pieces get longer. Also, as pieces get heavier they tend to get thicker, which could negatively impact the DBCS productivity, since fewer pieces fit in a tray resulting in more trays to feed and sweep. These issues apply to all letter automation equipment used in the Postal Service, independent of the class of mail.

(b) Not confirmed. If the throughputs differ for the two groups, it would be expected that the productivities would also differ. So, the factors discussed in part (a) and in the response to MMA/USPS-T39-1 would also cause the productivities to differ.

(c) Confirmed.

(d) See response to sub-parts (a) and (b) above. If the productivities differ for the two groups, the unit costs would differ. Therefore, the factors discussed in part (a) and in the response to MMA/USPS-T39-1 would cause the productivities to differ and, consequently, the unit costs to differ.

(e) The responses provided in parts (a), (b), (c), and (d) above also apply if each group is processed in two passes.

(f) Not confirmed. See response to OCA/USPS-145(h).

(g) Confirmed.

(h) Not confirmed. A very large First-Class mailing would have to be run on several parallel machines to clear within the First-Class processing window required to meet service standards. Since a one ounce mailing would, all else equal, have a higher throughput than a two ounce mailing, it would run on fewer parallel machines and incur fewer scheme changes. Consequently, the one ounce mailing would have a lower cost and higher productivity than the two ounce mailing.

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OCA/USPS-162 Please refer to the response to OCA/USPS-44(b). Assume two groups of 10,000 letter-shaped pieces are identical in every respect. More specifically, each letter-shaped piece in each group is automation compatible, barcoded, and paid a Standard Mail Regular rate. However, one group weighs one ounce and the other group weighs two ounces.

a. Assume further that the two groups of letter-shaped pieces are processed in one pass on the same DBCS. Please confirm that the throughputs and velocities for that pass would be the same for each group. If you do not confirm, please identify and describe all factors that would cause the throughputs and velocities for each group to differ.
b. Assume the same facts above and in part a. Please confirm that the productivities for each group would be the same. If you do not confirm, please identify and describe all factors that would cause the productivities for each group to differ.
c. Assume the same facts above and in part a. Please confirm that the wage rates for processing each group would be the same. If you do not confirm, please identify and describe all factors that would cause the wage rates for each group to differ.
d. Assume the same facts above and in part a. Please confirm that the total cost and the unit cost for processing each group on the DBCS would be the same. If you do not confirm, please identify and describe all factors that would cause the total and unit costs for each group to differ.
e. Assume the same facts above and in part a., except that each group of letter-shaped pieces is processed in two passes on the same DBCS. Please answer parts a., b., c., and d. assuming that each letter-shaped piece in each group is processed in two passes on the same DBCS.
f. Assume the same facts above and in part a., except that each group of letter-shaped pieces is processed in two passes on the same DBCS. Please confirm that the total cost and the unit cost for processing each group would be twice the cost of each group if processed in one pass on the same DBCS. If you do not confirm, please explain.
g. Please confirm that the responses to parts a. through f. would be the same where the two groups were processed on a MPBCS and a CSBCS, respectively. If you do not confirm, please explain.
h. Please confirm that the responses to parts a. through g. would be the same where the two groups consisted of 100,000, 1 million, and 10 million letter-shaped pieces, respectively. If you do not confirm, please explain.

Response:

See response to OCA/USPS-161.

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OCA/USPS-163

Please refer to the response to OCA/USPS-44(b). Assume two groups of 10,000 letter-shaped pieces are identical in every respect. More specifically, each letter-shaped piece in each group is automation compatible and barcoded. However, one group weighs one ounce and paid a First-Class rate, and the other group weighs two ounces and paid a Standard Mail Regular rate.

a. Assume further that the two groups of letter-shaped pieces are processed in one pass on the same DBCS. Please confirm that the throughputs and velocities for that pass would be the same for each group. If you do not confirm, please identify and describe all factors that would cause the throughputs and velocities for each group to differ.
b. Assume the same facts above and in part a. Please confirm that the productivities for each group would be the same. If you do not confirm, please identify and describe all factors that would cause the productivities for each group to differ.
c. Assume the same facts above and in part a. Please confirm that the wage rates for processing each group would be the same. If you do not confirm, please identify and describe all factors that would cause the wage rates for each group to differ.
d. Assume the same facts above and in part a. Please confirm that the total cost and the unit cost for processing each group on the DBCS would be the same. If you do not confirm, please identify and describe all factors that would cause the total and unit costs for each group to differ.
e. Assume the same facts above and in part a., except that each group of letter-shaped pieces is processed in two passes on the same DBCS. Please answer parts a., b., c., and d. assuming that each letter-shaped piece in each group is processed in two passes on the same DBCS.
f. Assume the same facts above and in part a., except that each group of letter-shaped pieces is processed in two passes on the same DBCS. Please confirm that the total cost and the unit cost for processing each group would be twice the cost of each group if processed in one pass on the same DBCS. If you do not confirm, please explain.
g. Please confirm that the responses to parts a. through f. would be the same where the two groups were processed on a MPBCS and a CSBCS, respectively. If you do not confirm, please explain.
h. Please confirm that the responses to parts a. through g. would be the same where the two groups consisted of 100,000, 1 million, and 10 million letter-shaped pieces, respectively. If you do not confirm, please explain.
i. Please confirm that the responses to parts a. through h. would be the same where the group that paid the First-Class rate weighed two ounces and the group that paid the Standard Mail Regular rate weighed one ounce. If you do not confirm, please explain.

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Response:

(a – b) See responses to OCA/USPS-145, sub-parts (a - b) respectively, and OCA/USPS-161 sub-parts (a - b) respectively. The differences discussed in these two responses would also apply when factoring the criteria collectively.

(c) See response to OCA/USPS-145, sub-part (c).

(d) See responses to OCA/USPS-145, sub-part (d) and OCA/USPS-161, sub part-(d).

(e & f) See responses to OCA/USPS-145, sub-parts (g & h) respectively, and OCA/USPS-161, sub-parts (e & f) respectively.

(g) Confirmed for the MPBCS. For the CSBCS, it is unlikely that the First-Class Mail and Standard Mail would be processed on different sort plans. Therefore, with the exception of the factors spelled out in OCA/USPS-145 sub-part (a) associated with the different sort plans, this can also be confirmed for the CSBCS.

(h) Not confirmed. See response to OCA/USPS-145, part (i).

(i) Confirmed.

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OCA/USPS-164

Please refer to the response to OCA/USPS-42(b).

a. Please confirm that barcoded letter-shaped pieces consisting of pieces paying a First-Class letter rate and a First-Class card rate are typically processed separately until processing into Delivery Point Sequence (DPS). If you do not confirm, please explain.
b. Please confirm that prebarcoded letter-shaped pieces consisting of pieces paying a First-Class letter rate and a First-Class card rate are typically processed separately until processing into DPS. If you do not confirm, please explain.
c. Please confirm that for processing into DPS, barcoded and prebarcoded letter-shaped pieces consisting of pieces paying a First-Class letter rate and a First-Class card rate become commingled only on the second DPS pass. If you do not confirm, please explain.

Response:

(a) - (c) Not confirmed. Barcoded First-Class cards and letters are processed together in all outgoing and incoming primary operations. This is also the case with barcoded First-Class business reply cards and letters.

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OCA/USPS-165

Please refer to the response to OCA/USPS-44(b). Assume two groups of 10,000 letter-shaped pieces are identical in every respect. More specifically, each letter-shaped piece in each group is automation compatible, barcoded, and weighs one ounce. However, one group paid a First-Class letter rate and the other group paid a First-Class card rate.

a. Assume further that the two groups of letter-shaped pieces are processed in one pass on the same DBCS. Please confirm that the throughputs and velocities for that pass would be the same for each group. If you do not confirm, please identify and describe all factors that would cause the throughputs and velocities for each group to differ.
b. Assume the same facts above and in part a. Please confirm that the productivities for each group would be the same. If you do not confirm, please identify and describe all factors that would cause the productivities for each group to differ.
c. Assume the same facts above and in part a. Please confirm that the wage rates for each group would be the same. If you do not confirm, please identify and describe all factors that would cause the wage rates for each group to differ.
d. Assume the same facts above and in part a. Please confirm that the total cost and the unit cost for processing each group on the DBCS would be the same. If you do not confirm, please identify and describe all factors that would cause the total and unit costs for each group to differ.
e. Assume the same facts above and in part a., except that each letter-shaped piece in each group weighed 2 ounces. Please answer parts a., b., c., and d. assuming that each letter-shaped piece in each group weighed 2 ounces.
f. Assume the same facts above and in part a., except that each letter-shaped piece in each group weighed 3 ounces. Please answer parts a., b., c., and d. assuming that each letter-shaped piece in each group weighed 3 ounces.
g. Assume the same facts above and in part a., except that each group of letter-shaped pieces is processed in two passes on the same DBCS. Please answer parts a., b., c., and d. assuming that each letter-shaped piece in each group is processed in two passes on the same DBCS.
h. Assume the same facts above and in part a., except that each group of letter-shaped pieces is processed in two passes on the same DBCS. Please confirm that the total cost and the unit cost for processing each group would be twice the cost of each group if processed in one pass on the same DBCS. If you do not confirm, please explain.
i. Please confirm that the responses to parts a. through h. would be the same where the two groups were processed on a MPBCS and a CSBCS, respectively. If you do not confirm, please explain.
j. Please confirm that the responses to parts a. through i. would be the same where the two groups consisted of 100,000, 1 million, and 10 million letter-shaped pieces, respectively. If you do not confirm, please explain.

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Response:

(a) Not confirmed. The pieces paying the First-Class letter rate and the pieces paying the First-Class card rate would not be identical in every respect. Consequently, piece length, thickness, and weight affect throughput. See response to OCA/USPS-145, sub-part (a). Even if the two groups contained pieces with identical dimensions and weight, experience in operations indicates that cards jam less frequently than letters, which has a positive impact on throughput and productivity.

(b) Not confirmed. See response to OCA/USPS-161, sub-part (b).

(c) Confirmed.

(d) See response to OCA/USPS-161, part (d).

(e – f) The responses for parts (a – d) would be the same as above assuming 2-ounce or 3-ounce pieces in each group. However, pieces claiming card rates must be made of paper or card stock and be not more than 4-1/4 inches high, 6 inches long, and 0.016 inch thick (see DMM C100.2.0). A piece at the maximum allowable dimensions still weighs less than one ounce.

(g) The responses for sub-parts (a – d) would be the same as above assuming two passes on the same DBCS.

(h) See response to OCA/USPS-161, sub-part (f).

(i) Confirmed.

(j) Not confirmed.

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OCA/USPS-166

Please refer to the response to OCA/USPS-44(b). Assume two groups of 10,000 letter-shaped pieces are identical in every respect. More specifically, each letter-shaped piece in each group is automation compatible and barcoded. However, one group weighs one ounce and paid a First-Class card rate, and the other group *weighs two ounces and paid a First-Class letter rate.*

a. Assume further that the two groups of letter-shaped pieces are processed in one pass on the same DBCS. Please confirm that the throughputs and *velocities for that pass would be the same for each group. If you do not* confirm, please identify and describe all factors that would cause the throughputs and velocities for each group to differ.

b. Assume the same facts above and in part a. Please confirm that the *productivities for each group would be the same. If you do not confirm, please* identify and describe all factors that would cause the productivities for each group to differ.

c. Assume the same facts above and in part a. Please confirm that the wage *rates for processing each group would be the same. If you do not confirm,* please identify and describe all factors that would cause the wage rates for each group to differ.

d. Assume the same facts above and in part a. Please confirm that the total cost and the unit cost for processing each group on the DBCS would be the same. If you do not confirm, please identify and describe all factors that would cause the total and unit costs for each group to differ.

e. Assume the same facts above and in part a., except that each group of letter-shaped pieces is processed in two passes on the same DBCS. Please answer parts a., b., c., and d. assuming that each letter-shaped piece in each group is processed in two passes on the same DBCS.

f. Assume the same facts above and in part a., except that each group of letter-shaped pieces is processed in two passes on the same DBCS. Please confirm that the total cost and the unit cost for processing each group would be twice the cost of each group if processed in one pass on the same DBCS. If you do not confirm, please explain.

g. Please confirm that the responses to parts a. through f. would be the same where the two groups were processed on a MPBCS and a CSBCS, respectively. If you do not confirm, please explain.

h. Please confirm that the responses to parts a. through g. would be the same where the two groups consisted of 100,000, 1 million, and 10 million letter-shaped pieces, respectively. If you do not confirm, please explain.

i. Please confirm that the responses to parts a. through h. would be the same where the group that paid the First-Class card rate weighed two ounces and the group that paid the First-Class letter rate weighed one ounce. If you do not confirm, please explain.

Response:

(a – i) See responses to OCA/USPS-161 and 165.

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.

Joseph K. Moore

475 L'Enfant Plaza West, S.W.
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November 9, 2001