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 WITNESS KINGSLEY TO INTERROGATORIES OF ASSOCIATION FOR POSTAL COMMERCE (POSTCOM/USPS-T39-13-16)

The United States Postal Service hereby provides the response of witness

Kingsley to the following interrogatories of Association for Postal Commerce:

POSTCOM/USPS-T39-13-16, 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:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Joseph K. Moore

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–3078, Fax –5402 November 9, 2001

POSTCOM/USPS-T-39-13 Please refer to your response to POSTCOM/USPS-T39-9(b) where you state, "If volumes were exceptionally heavy, some volumes would likely be sent to manual sortation to carrier route." In these situations, is the Postal Service more likely or less likely to send nonbarcoded flats to manual sortation than to send barcoded flats that are similar in every way other than the presence of a barcode to manual sortation? Please explain your response fully.

Response: If volume was exceptionally heavy and some volume had to be sent to the

manual operation, it would not matter whether the mail had a barcode or not. The goal

would be to ensure that the mail gets processed, either by machine or in manual

operations.

POSTCOM/USPS-T-39-14 Please refer to your response to POSTCOM/USPS-T39-5 where you discuss the mailflows of pieces where the OCR reads the return address as the delivery address. Please confirm that the MODS system counts these pieces as being "handled" and therefore these missorts are included in TPH.

Response: Confirmed.

POSTCOM/USPS-T-39-15 Please refer to your response to POSTCOM/USPS-T39-8(b) where you state, "As explained on pages 15 and 16 of my testimony, nonbarcoded flat-shaped mail is currently sorted to the carrier-route level when an address match can be achieved through either the OCR or on-line video coding. A similar concept could be envisioned in a delivery point sequencing environment. Engineering is also looking at various alternatives of placing a barcoded ID code on non-prebarcoded flats in order to use an OCR of keying result more than once."

(a) How likely do you think it is that the Postal Service will adopt the approach of placing a barcoded ID code on nonbarcoded Standard Regular mail? Please explain your response fully.

(b) How likely do you think it is that the Postal Service will sort flats to DPS by matching addresses through either the OCR or on-line video coding?

(c) What do you expect the OCR read rate will be for sorting nonbarcoded flats to DPS? Please explain your answer fully and provide any underlying data you used to develop your estimate.

Response:

a) We continue to evaluate the feasibility and benefits of placing ID codes on flat mail.

The value of the ID code is to prevent flat mail pieces from having to be read by an

OCR or keyed in a keying operation multiple times within our postal system. In

today's environment, where the majority of non-barcoded Standard mail flats are

presorted to 3/5 digit level and require only one or two handlings to be sorted to the

carrier level, the value of the ID code sort is limited. The benefit of the ID code will

increase when automating flat processing to the delivery point level which will

require more automation handlings.

b) Although we are in the research and development stages of the Delivery Point Sequencing of flats, we expect to utilize OCR and on-line video coding technology for mail which does not have a barcode.

c) Without having operational experience in Delivery Point Sequencing flat mail it is difficult to estimate the OCR read rate for nonbarcoded flats. Current data indicate that the finest depth of sort rate for all machinable flats to vary between 63-75 percent (depending on the operation). We expect that this rate will be lower for nonbarcoded flats. However similar to letter recognition technology, improvement is anticipated as experience is gained with the mailbase.

POSTCOM/USPS-T-39-16 Please refer to your response to POSTCOM/USPS-T39-8(c) where you state, "Carrier in-office casing would be expected to be avoided for DPS flats."

(a) What is the Postal Service's average productivity for carrier in-office casing of flats? Please describe the data source that you used to develop this figure.

(b) If you are unable to respond to (a), do you expect that the average productivity for carrier in-office casing is similar to the manual flat sorting productivity for clerks at delivery units?

Response:

(a) See response to VP/USPS-T39-17 redirected to the USPS. The productivity

provided in this response is the minimum standard for carrier in-office casing of flats.

I am unaware of any other casing productivity data for carrier in-office casing of flats.

(b) No.

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. Washington, D.C. 20260–1137 November 9, 2001