

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY
Docket No. R2001-1

POSTAL RATE AND FEE CHANGES, 2001)

VAL-PAK DIRECT MARKETING SYSTEMS, INC. AND
VAL-PAK DEALERS' ASSOCIATION, INC.
FOURTH INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS TO
UNITED STATES POSTAL SERVICE (VP/USPS-12)
(November 26, 2001)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Val-Pak Direct Marketing Systems, Inc. and Val-Pak Dealers' Association, Inc. hereby submit interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted,

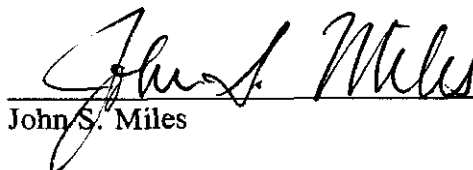


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Val-Pak Dealers' Association, Inc.

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.


John S. Miles

November 26, 2001

VP-USPS-12

Please refer to the responses to VP/USPS-T5-7b, 8e, and 9d. Those responses note that the relative proportions or “distribution keys” for the city carrier cost system are by subclass of mail, not by shape.

- a. Please confirm that as between (i) a mailing of 1 million ordinary Standard ECR flats and (ii) a mailing of 1 million Standard ECR covers accompanied by 1 million DALs, the latter mailing would cause more costs to be distributed to Standard ECR than would the former mailing, assuming that both mailings were sampled proportionately by the city carrier costing system. If you do not confirm, please explain.
- b. The three responses note that “[e]lemental load time has separate cost pools for letter, flats, parcels, and accountables, however.” Are these separate cost pools used to distribute all volume variable street costs that have been attributed to Standard ECR by shape, or only the elemental load costs? If only elemental load costs are distributed to shape on the basis of these separate cost pools, please explain how those city carrier street time costs other than elemental load (*e.g.*, route, access and street support) that have been attributed to Standard ECR are then distributed within the subclass on the basis of shape.
- c. Once city carrier street time costs have been distributed to the subclasses of mail using the relative proportion of volumes, please explain how those city carrier street time costs that have been distributed to Standard ECR are then distributed within the subclass on the basis of weight. If some city carrier street time costs

are not distributed on the basis of weight, please provide the amount that is not distributed (both the absolute amount and the percent of all city carrier street time costs), and explain why it is not distributed.