

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

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS MILLER  
TO INTERROGATORIES OF MAJOR MAILERS ASSOCIATION  
REDIRECTED FROM WITNESS SCHENK  
(MMA/USPS-T43-13(H) AND 19(A-C))

The United States Postal Service hereby provides the responses of witness Miller to the following interrogatories of Major Mailers Association: MMA/USPS-T43-13(H) and 19(A-C), filed on November 16, 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

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Michael T. Tidwell

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December 3, 2001

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MILLER  
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REDIRECTED FROM WITNESS SCHENK

**MMA/USPS-T43-13** Please refer to your response to Part N of Interrogatory MMA/USPS-T43-1. There you compute unit delivery costs separately for First-Class metered, stamped, and other letters.

H. Doesn't USPS witness Miller's assumption that non-automation machinable mixed AADC letters can be used as a proxy for BMM letters implicitly assume that non-automation machinable mixed AADC letters and BMM letters have a similar DPS percentage and a similar percentage of pieces delivered to a post office box. If no, please explain.

**RESPONSE:**

(H) The DPS percentages from the Bulk Metered Mail (BMM) letters and nonautomation machinable mixed AADC presort letters cost models are nearly identical. Please see the response to MMA/USPS-T22-19(B). I am not aware of any studies that sought to determine the percentage of mail pieces destinating at post office box addresses for BMM letters and nonautomation machinable mixed AADC presort letters. However, I would not expect them to be substantially different.

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**MMA/USPS-T43-19** Please refer to your response to Part H of Interrogatory MMA/USPS-T43-8.

- A. Please confirm that BMM letters have no prerequisite requirements or regulations that require them to be machinable, yet the Postal Service estimates that DPS percentage for BMM letters is virtually the same as non-automation machinable letters, automation mixed AADC, automation AADC, and automation 3-Digit letters. If you cannot confirm, please explain.
- B. Please confirm that BMM letters have no prerequisite requirements or regulations that require the addresses to be complete, reliable, machine readable and up-to-date, yet the Postal Service estimates that the delivery cost for BMM letters is virtually the same as automation mixed AADC, automation AADC, and automation 3-Digit letters. If you cannot confirm, please explain.
- C. Please explain if, and to what extent, BMM letters and metered letters have different delivery characteristics in terms of (1) DPS percentage and (2) percent of letters delivered to a post office box. Please support your answer.

**RESPONSE:**

- (A) Confirmed. Bulk Metered Mail (BMM) letters do not have any specific machinability requirements listed in the Domestic Mail Manual (DMM), other than those that apply to all letters. Given that these mail pieces are considered to be those that are most likely to convert to worksharing, however, it has generally been understood that these mail pieces are machinable mail pieces.
- (B) Confirmed. Bulk Metered Mail (BMM) letters do not have any formal address readability requirements listed in the Domestic Mail Manual (DMM). Given that these mail pieces are considered to be those that are most likely to convert to worksharing, however, it has generally been understood that these mail pieces are "clean" that are not likely to cause problems when processed through the Remote Bar Coding System (RBCS).

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**RESPONSE TO MMA/USPS-T43-19 (CONTINUED)**

- (C) The DPS percentage for BMM letters can be found in USPS LR-J-60 on page 15. A DPS percentage for all metered letters has not been calculated because a cost model for all metered letters has not been developed.

The percentage of post office box addresses for all metered letters could be higher than that for BMM letters as some metered letters are Courtesy Reply Mail (CRM) pieces that are often addressed to a post office box. However, I am not aware of any analysis that has attempted to measure

## **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.

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Michael T. Tidwell

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