BEFORE THE POSTAL RATE COMMISSION
WASHINGTON, DC 20268-0001

POSTAL RATE AND FEE CHANGES	Docket No. R2001-1

INTERROGATORIES OF THE
CONTINUITY SHIPPERS ASSOCIATION
TO USPS WITNESS EGGLESTON (CSA/USPS-T-25)

Pursuant to the Commission's Rules of Practice, the Continuity Shippers Association herby files and serves the following interrogatories directed to United States Postal Service Witness Eggleston (USPS-T-25).

Dated: November 26, 2001

Respectfully Submitted,

Aaron Horowitz
200 Corporate Woods Parkway
Vernon Hills, IL 60061-3167
(847) 913-3360

Attorney for the Continuity Shippers Association

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing Interrogatories to USPS Witness Eggleston on all participants of record in this proceeding in accordance with sections 12 of the Rules of Practice.

November 26, 2001

Aaron Horowitz

CSA/USPS-T25-1. Please refer to the Bulk Parcel Return Service cost model contained in USPS-LR-J-64, 6bprs.xls.

(a) Please confirm that the conversion factors for 'Unload Sacks in OTR' and 'Dump OTR of sacks' in cells D16 and D21 in the worksheet 'Inter Mach' are 234.6. If you do not confirm, please explain.

(b) Please confirm that these conversion factors are the correct conversion factors for 'Unload Sacks in OTR' and 'Dump OTR of sacks.' If you confirm, please explain why these are the correct conversion factors. If you do not confirm, please explain and provide the correct conversion factors.

CSA/USPS-T25-2. Please refer to the Bulk Parcel Return Service cost model contained in USPS-LR-J-64, 6bprs.xls.

(a) Please confirm that the value for 'Secondary PSM (unit costs)' in cell D14 in the worksheet 'Inputs 2' is 0.063. If you do not confirm, please explain.

(b) Please describe the 'Secondary PSM (unit costs)' and provide the source for this datum.

(c) Please confirm that the secondary PSM costs on worksheets 'Inter Mach' and 'Intra Mach' are calculated without using productivities and piggyback factors. If you do not confirm, please explain.

(d) Please confirm that the BPRS cost model in USPS-LR-I-171 calculates secondary PSM costs with productivities and piggyback factors. If you do not confirm, please explain.

(e) Please discuss the rationale for calculating secondary PSM costs without using productivities and piggyback factors.

(f) Please confirm that the secondary PSM cost in cell G35 on worksheet 'Inter Mach' in USPS-LR-J-64, 6bprs.xls, is $0.0599 and that the secondary PSM cost in cell G35 on worksheet 'Inter Mach' in USPS-LR-I-171, eBPRS_mp.xls, is $0.0333. If you do not confirm, please provide the correct figures.

(g) Please explain why the secondary PSM cost increased from $0.0333 to $0.0599, an 80 percent increase. As part of your explanation, please discuss the variability of these point estimates, any significant changes to the fundamental activities of a secondary parcel sorting machine operation, and any significant changes to the characteristics of mail worked on a secondary parcel sorting machine.

CSA/USPS-T25-3. Please refer to the Bulk Parcel Return Service cost models contained in USPS-LR-J-64 and USPS-LR-I-171.

(a) Please confirm that the value of the Media Mail proportional adjustment factor in cell E9 in the worksheet 'mp Summary' of USPS-LR-J-64, 6bprs.xls, is 1.108. If you do not confirm, please explain.

(b) Please confirm that the value of the proportional cost pools in cell E7 in the worksheet 'Cost Summary' of USPS-LR-I-171, eBPRS_mp.xls, is 1.042. If you do not confirm, please explain.

(c) Please explain why the proportional adjustment factor in the BPRS cost models has increased from 1.042 to 1.108. As part of your explanation, please discuss the variability of these point estimates as well as the variability of all data that support the development of the proportional adjustment factors.

(d) Please confirm that the primary parcel sorting machine productivity in cell D18 of worksheet 'Inputs 1' in 6bprs.xls in USPS-LR-J-64 is 813 parcels per hour. If you do not confirm, please explain.

(e) Please confirm that the primary parcel sorting machine productivity in cell D27 of worksheet 'Inputs 1' in eBPRS_mp.xls in USPS-LR-I-171 is 874 parcels per hour. If you do not confirm, please explain.

(f) Please explain why the primary parcel sorting machine productivity has decreased from 874 to 813 parcels per hour. As part of your explanation, please discuss the variability of these point estimates, any significant changes to the fundamental activities of a primary parcel sorting machine operation, any significant changes to the characteristics of mail worked on a primary parcel sorting machine operation, any significant changes to the parcel sorting machines, and any significant changes in the operating process or personnel.

(g) Please confirm that the parcel sorting machine piggyback factor in cell D11 of worksheet 'Inputs 2' in 6bprs.xls in USPS-LR-J-64 is 2.140. If you do not confirm, please explain.

(h) Please confirm that the parcel sorting machine piggyback factor in cell G8 of worksheet 'Inputs 2' in eBPRS_mp.xls in USPS-LR-I-171 is 1.782. If you do not confirm, please explain.

(i) Please explain why the parcel sorting machine piggyback factor has increased from 1.782 to 2.140. As part of your explanation, please discuss the variability of these point estimates.

(j) Please confirm that the probability of an inter-BMC parcel being handled by a keyer on the secondary PSM at the destination BMC in cell D41 of worksheet 'Inputs 2' in 6bprs.xls in USPS-LR-J-64 is 94.5 percent. If you do not confirm, please explain.

(k) Please confirm that the probability of an inter-BMC parcel being handled by a keyer on the secondary PSM at the destination BMC in cell G39 of worksheet 'Inputs 2' in eBPRS_mp.xls in USPS-LR-I-171 is 89.3 percent. If you do not confirm, please explain.

(l) Please explain why the probability of an inter-BMC parcel being handled by a keyer on the secondary PSM at the destination BMC has increased from 89.3 percent to 94.5 percent. As part of your explanation, please discuss the variability of these point estimates and the factors that cause the mailflow to change.

(m) Please confirm that the cost of a primary parcel sorting machine sort in cell G28 of worksheet 'Inter Mach' in 6bprs.xls in USPS-LR-J-64 is $0.0801. If you do not confirm, please explain.

(n) Please confirm that the cost of a primary parcel sorting machine sort in cell G28 of worksheet 'Inter Mach' in eBPRS_mp.xls in USPS-LR-I-171 is $0.0553. If you do not confirm, please explain.

(o) Please explain why the cost of a primary parcel sorting machine sort increased from $0.0553 to $0.0801, a 45 percent increase. As part of your explanation, please discuss the variability of these point estimates, any significant changes to the fundamental activities of a primary parcel sorting machine operation, and any significant changes to the characteristics of mail worked on a primary parcel sorting machine.

CSA/USPS-T25-4. Please refer to the Bulk Parcel Return Service cost models contained in USPS-LR-J-64 and USPS-LR-I-171.

(a) Please confirm that Table 1 accurately presents BPRS costs and percent increases. If you do not confirm, please provide the correct figures.

Table 1. BPRS Costs

(1)	(2)	(3)	(4) = (2)/(3) - 1
Cost Component	**USPS-LR-J-64, 6bprs.xls, 'Sum'**	**USPS-LR-I-171, fBPRS_Model.xls, 'Sum'**	**Percent Increase**
Collection	$0.035	$0.032	9.4%
Mail Processing	$0.628	$0.571	10.0%
Transportation	$0.469	$0.423	10.9%
Bulk Delivery	$0.049	$0.033	48.5%
Postage Due	$0.051	$0.046	10.9%
Total	$1.232	$1.105	11.5%

(b) Please describe the primary cost causing factors that explain the increase in BPRS costs. As part of your description, please discuss the variability of the cost causing factors.

CSA/USPS-T25-5. Please refer to pages 32 and 33 of your testimony where you discuss the window service portion of collection costs.

(a) Please list and describe all entry points where BPRS can enter the mailstream.

(b) Please provide the percentage of BPRS that enters the mailstream via the window. If you do not know the percentage, please provide an estimate.

(c) Please provide the percentage of BPRS that does not enter the mailstream via the window. If you do not know the percentage, please provide an estimate.

(d) Please list and discuss all activities that occur at the window as BPRS enters the mailstream.

(e) Please describe the mean transaction time for acceptance. As part of your description, please include discussions on the variability of the mean transaction time for acceptance, all activities that occur at the window during acceptance, and factors and characteristics that cause the transaction time for acceptance to vary.

(f) Please provide data on the variability of the mean transaction time for acceptance.

(g) Please list and describe the factors relating to and characteristics of a typical BPRS piece that cause the transaction time for acceptance to vary.

(h) Please list and describe the collection activities performed by city and rural carriers for BPRS. As part of your description, please discuss how a BPRS piece enters the mailstream after being collected by city and rural carriers.

(i) Please provide the cost associated with a BPRS piece entering the mailstream via a means other than over the window. Please list and describe all activities associated with a BPRS piece entering the mailstream via a means other than over the window.

CSA/USPS-T25-6. Please refer to the Bulk Parcel Return Service cost models contained in USPS-LR-J-64 and USPS-LR-I-171.

(a) Please confirm that Table 1 accurately presents BPRS transportation costs per cubic foot per leg and percent changes. If you do not confirm, please provide the correct figures.

Table 1. BPRS Transportation Costs per Cubic Foot per Leg

(1)	(2)	(3)	(4) = (2)/(3) - 1
Cost per Cubic Foot per Leg	USPS-LR-J-64, 6bprs.xls, 'Tran_1'	USPS-LR-I-171, fBPRS_Model.xls, 'Tran_1'	Percent Change
Local Leg	$0.81	$0.54	50.0%
Intermediate Leg	$0.94	$0.60	56.7%
Long Distance Leg	$2.77	$3.26	(15.0%)

(b) Please discuss the variability of these transportation costs per cubic foot per leg as well as the variability of all data that support the development of the transportation costs per cubic foot per leg.

(c) Please list and describe the cost causing factors that explain the changes in BPRS transportation costs per cubic foot per leg. As part of your description, please discuss the variability of the cost causing factors, any significant changes to the fundamental activities of transportation, and any significant changes to the transportation network.

CSA/USPS-T25-7. Please refer to worksheet 'Char_table' in USPS-LR-J-64, 6bprs.xls, which contains Bulk Parcel Return Service cost model data.

(a) Please confirm that witness Koroma indicates on page 15 of USPS-T-37 that BPRS volumes decreased by 15 percent in 1999 and decreased by another 3 percent in 2000. If you do not confirm, please explain.

(b) Please provide and discuss the source of the data contained in 'Char_table.' As part of your discussion, please provide the date when the data were collected, where the data were collected, how the data were collected, and the variability of these data.

(c) Please discuss whether or not you believe the data contained in 'Char_table' are representative of BPRS mailers today. As part of your discussion, please describe any changes or trends in the weight per piece, average cubic foot per parcel, or average weekly volume for BPRS since the time these data were collected.

(d) Please confirm that the weight per piece, average cubic foot per parcel, or average weekly volume of BPRS pieces may change over time. If you confirm, please list and discuss the reasons why these data may change over time. If you do not confirm, please explain.

CSA/USPS-T25-8. Please refer to worksheet 'Tran_pg2' in USPS-LR-J-64, 6bprs.xls, which contains Bulk Parcel Return Service cost model data.

(a) Please provide and discuss the source of these data. As part of your discussion, please provide the date when the data were collected, where the data were collected, how the data were collected, and the variability of these data.

(b) Please discuss whether or not you believe these data are representative of BPRS mailers today. As part of your discussion, please describe any changes or trends in the average number of legs traveled by BPRS parcels since the time these data were collected.

(c) Please confirm that the average number of legs traveled by BPRS parcels may change over time. If you confirm, please list and discuss the reasons why these data may change over time. If you do not confirm, please explain.

CSA/USPS-T25-9. Please refer to worksheet 'Inputs 2' in USPS-LR-J-64, 6bprs.xls, which contains Bulk Parcel Return Service cost model data.

(a) Please provide the percentages of intra-BMC and inter-BMC BPRS parcels that arrive at an origin SCF.

(b) Please provide the percentage of inter-BMC BPRS parcels that arrives at an origin BMC.

(c) Please provide the percentages of intra-BMC and inter-BMC BPRS parcels that arrive at a destination BMC.

(d) Please provide the percentages of intra-BMC and inter-BMC BPRS parcels that arrive at a destination SCF.

(e) Please provide the percentages of intra-BMC and inter-BMC BPRS parcels that arrive at a destination delivery unit.

(f) Please discuss whether or not you believe the percentages provided in response to subparts (a) through (e) of this interrogatory are representative of the mailflow of BPRS parcels. As part of your discussion, please describe any changes or trends in the mailflow of BPRS parcels since the time the percentages were initially developed.

(g) Please confirm that the mailflow of BPRS parcels may change over time. If you confirm, please list and discuss the reasons why the mailflow may change over time. If you do not confirm, please explain.

(h) Please confirm that the BPRS cost model has 16.3 percent of parcels going directly from the BMC to the DDU, 66.8 percent of parcels going from the DBMC to the DSCF, and 16.8 percent of parcels going from the BMC to the mailer. If you do not confirm, please explain.

(i) Please confirm that the mail processing costs would decrease if the BPRS cost model had, for example, 16.3 percent of parcels going directly from the BMC to the DDU, 63.8 percent of parcels going from the DBMC to the DSCF, and 19.8 percent of parcels going from the BMC to the mailer. If you do not confirm, please explain.

CSA/USPS-T25-10. Please refer to the 'Intra Mach' and 'Inter Mach' worksheets in USPS-LR-J-64, 6bprs.xls, which contain Bulk Parcel Return Service cost summaries.

(a) Please list and describe the title and level of the employee performing each mail processing activity.

(b) Please describe the 'Sack and Tie' mail processing activity. As part of your description, please discuss the productivity, factors and characteristics that cause the productivity to vary, and factors and characteristics that cause Sack and Tie costs to vary.