RECEIVED

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

DEC 14 4 38 PM 'OI

POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY TO INTERROGATORIES OF KEYSPAN ENERGY (KE/USPS-T39-17-20)

The United States Postal Service hereby provides the responses of witness Kingsley to the following interrogatories of Keyspan Energy: KE/USPS-T39-17-20, filed on November 30, 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 December 14, 2001

KE/USPS-T39-17 Please refer to your responses to Parts (C) and (F) of Interrogatory KE/USPS-T39-13. In Part C you indicate that in AP 12 of FY 01, 946,754,000 letters were not barcoded by the Postal Service, and that a portion of these letters was not barcoded because they were non-machinable. In Part F you indicate that in AP 12 of FY 01, 946,754,000 letters were not barcoded, but that this total excluded non-machinable volumes.

- A. Does the 946,754,000 pieces not barcoded by the Postal Service in AP 12 of FY 01 include or exclude non-machinable letters?
- B. If your answer to Part A is that non-machinable letters are included, please indicate what portion of those 946,754,000 letters were not barcoded because the letters were non-machinable.
- C. Please provide the number of non-machinable letters for the base year in this case.
- D. Please provide the Postal Service's estimate of the number of nonmachinable letters for (1) the test year before rates and (2) the test year after rates.

Response:

- A. See errata for KE/USPS-T39-13F filed on December 3, 2001.
- B. D. We do not know what portion of non-barcoded letters are non-machinable.

KE/USPS-T39-18 In his response to Part D of Interrogatory KE/USPS-T22-3, USPS witness Miller discusses "rejects" from the outgoing OSS and ISS where such letters are provided with a 5-digit barcode rather than a 9- or 11-digit barcode.

- A. In the base year what percentage of letters that are barcoded by the RBCS receive only a 5-digit barcode?
- B. For letters barcoded by the RBCS in the test year, what percentage of such letters is expected to receive only a 5-digit barcode?

Response:

- A. Approximately ten percent of the images processed through RBCS (REC and RCR) resulted in a 5-digit code. However, this does not mean that all of the 5-digit barcoded letters were due to insufficient addressing or directories since the RBCS system will check to see if the zone is a unique or non-automated zone. If it is, the system will stop at a 5-digit barcode since that is all of the information necessary for our sortation.
- B. See response to KE/USPS-T39-6F redirected to witness Miller (USPS-T-22).

KE/USPS-T39-19 Please refer to USPS witness Miller's response to Part A of Interrogatory KE/USPS-T22-4 where he states that he has no information regarding the impact that type of address, i.e., handwritten or machine addressed, has on how the Postal Service will process a letter, i.e. by automation or manually.

- A. Please confirm that there is no discernable relationship between the likelihood of the Postal Service barcoding a First-Class letter to 5-digits versus 9- or 11-digits, and the type of address, i.e. either handwritten or machine printed. If no, please explain.
- B. Please confirm that there is no discernable relationship between the likelihood of the Postal Service barcoding a First-Class letter, and the type of address, i.e. either handwritten or machine printed. If no, please explain.
- C. Please confirm that there is no discernable relationship between the likelihood of the Postal Service sorting a First-Class letter by automation and the type of address, i.e. either handwritten or machine printed. If no, please explain. If no, please explain.

Response:

- A. To my knowledge, this has not been studied. However, I have no reason to believe they would be dramatically different.
- B. To my knowledge, this has not been studied. However, I have no reason to believe they would be dramatically different.
- C. To my knowledge, this has not been studied. However, I have no reason to believe they would be dramatically different.

KE/USPS-T39-20 Please refer to your response to Interrogatory KE/USPS- T39-16. There you were asked to fill in a table similar to the one below except that in the table below a row for base year information has been added. Your response failed to provide confirmation or correction of the specific numbers provided by KeySpan Energy and failed to provide, for FY 2001, the requested breakdown between Prebarcoded and Not Barcoded, as well as the Total Volume.

First-Class Single Piece Letter-Shape Mail (000)

First-Class Single Piece	RCR Resolved	REC Resolved	Prebarcoded	Not Barcoded	Total Volume
BY 2000					47,033,105 ¹
FY 2001	15,316,444 ²	8,343,459 ³			
Projected TY 2003					43,017,298 ⁴

- ¹ USPS-LR-J-53
- ² Response to OCA/USPS-159(C)
- ³ Response to KE/USPS-T39-6 (D)
- 4 USPS-LR-J-58

Please fill in *all* of the blanks, including your best estimate of the number of letters prebarcoded and not barcoded. If the numbers KeySpan Energy has provided are wrong, please correct them. Please fill in the Total Volume of letter-shaped pieces, since the Postal Service is the only party who can provide that data. If the BY 2000 RCR and REC resolved volumes are not available, please so state. Finally, for the test year please fill in the projections. If no projections have been made, please explain why those projections have not been made. If you have assumed that the same relationship exhibited during BY 2000 and/or FY 2001 can be expected to be maintained through the test year, please explain the bases for such assumption.

Response:

First-Class Single Piece Letter-Shape Mail (000)

First-Class Single Piece	RCR Resolved	REC Resolved	Prebarcoded	Not Barcoded	Total Volume
BY 2000	12,431,556	9,358,796			52,174,240
FY 2001	15,318,444	8,343,459 ³			51,253,116
Projected TY 2003					46,865,402

The figures provided in responses to OCA/USPS-159(C) and KE/USPS-T-39-6(D) (footnotes 2 and 3) are not just for First Class Mail Single Piece but for all letters and cards. Volume is not tracked by class, subclass, or indicia in MODS. Therefore, the Total Volume First Class Single Piece figures you provided (footnotes 1 and 4) do not match up with the RCR, REC pre-barcoded, and nonbarcoded figures. Prebarcoded and nonbarcoded FY 2000 and 2001 volumes separate by First Class Mail and Standard Mail are provided in response to KE/USPS-T39-13. BY 2000 RCR and REC resolved volumes are for all classes of letters and cards. For TY 2003 REC and RCR projections, see response to KE/USPS-T39-6(F) redirected to witness Miller (T22). For TY 2003 prebarcoded First Class Mail Single Piece projections see response to KE/USPS -T-39-7 for BRM and QBRM TYAR. For TY 2003 nonbarcoded volumes, equivalent test year estimates are not available. See response to KE/USPS-1(A-D). Projected TY 2003 Total Volume figures for First Class Mail Single Piece are in response to KE/USPS-1. FY 2000 and FY 2001 Total Volume of First Class Mail Single Piece Letters, Flats, and Parcels are from RPW report AP 13 YTD.

DECLARATION

I, Linda A. Kingsley, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

LINDA A. KINGSLEY

Dated: 13/14/0/

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 December 14, 2001