

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 XIE TO INTERROGATORIES OF PARCEL SHIPPERS ASSOCIATION  
(PSA/USPS-T2-1-3)  
December 20, 2001

The United States Postal Service hereby provides the responses of witness Xie to the following interrogatories of Parcel Shippers Association: PSA/USPS-T2-1-3, filed on December 5, 2001.

The Postal Service notes that these interrogatories were objectionable: they were filed after the November 26, 2001 deadline for interrogatories to witness Xie, and they are not proper follow-up. Interrogatories PSA/USPS-T2-1-2 purport to follow upon witness Xie's response to PSA/USPS-T25-4(a-c) by implying that the definition of a "stop-day" was first introduced in those responses. To the contrary, the term is discussed on pages 3-4 of USPS-T-2 and in the TRACS documentation. Further, various of the parts inquire about driving time and driving distance, which witness Xie does not compute, but which can be computed using commercially available software or web sites.

Interrogatory PSA/USPS-T2-3 purports to follow upon witness Xie's response to PSA/USPS-T25-5(c-f); those interrogatory parts inquired about whether intra-BMC and inter-SCF highway transportation contracts are ever used to transport mail/Parcel Post between BMCs or intra-BMC, respectively. Witness's Xie's simple response is "yes".



Parts (a) and (b) of PSA/USPS–T2–3 properly ask for quantification of the affirmative responses. The other parts of PSA/USPS–T2–3 ask about mileage between various combinations of these. While these latter parts are close to the line of permissible follow-up, PSA is unable to calculate the information sought; the Postal Service accordingly sought the simpler road and is providing the requested responses.

In light of the fact that these purport to be follow-up to a previous witness Xie response, and that reasonable answers are not burdensome to produce, and because of the confusing circumstances in the hearing room on December 14,<sup>1</sup> it seems more prudent for witness Xie just to provide her straight forward answers. The Postal Service does, however, reserve the right to object to any subsequent follow-ups to the instant responses.

In preparing responses to PSA/USPS-T2-3, the Postal Service noted that it appeared the words “trips” and “legs” were intended be synonymous. Counsel for PSA

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<sup>1</sup> Counsel for PSA was initially present in the hearing to conduct cross-examination of witness Xie, but had to leave the hearing room before she made her appearance on the stand. Postal Service counsel thereafter indicated orally that the interrogatories would be answered.



informally confirmed this. Accordingly, the terms are so treated.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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December 20, 2001

**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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Kenneth N. Hollies

December 20, 2001



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**PSA/USPS-T2-1.** Please refer to your response to PSA/USPS-T25-4(a)-(c) where you define stop-days. Assume that Trip A from facility A to facility B has a driving distance of x miles and Trip B from facility B to facility C has a driving distance of 10x miles.

- (a) On average, how much more will the highway contractor charge the Postal Service for Trip B than for Trip A? Please explain your response fully.
- (b) Please confirm that the one day of Trip A would contribute one stop-day. If not confirmed, please explain fully.
- (c) Please confirm that one day of Trip B would contribute one stop-day. If not confirmed, please explain fully.

**RESPONSE:**

- (a) I don't know. TRACS does not rely on such information.
- (b) Confirmed.
- (c) Confirmed.



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**PSA/USPS-T2-2** Please refer to your response to PSA/USPS-T25-4(a)-(c) where you define stop-days. Please refer further to witness Eggleston's response to PSA/USPS-T25-2, which states, "only 45 percent of the stop-days of Inter-BMC [bulk mail center] highway transportation are at BMCs. Therefore, the Parcel Post transportation model was adjusted by distributing 45 percent of inter-BMC highway costs (the same percent as the number of stop-days) to the long distance zone-related cost category."

Please assume that Trip C originates at facility A, which is a bulk mail center (BMC), and stops at facility B, which is another BMC, and facility C, which is a sectional center facility (SCF) within the service territory of facility B. Please further assume that intermediate transportation is primarily transportation between a BMC and the facilities within its service territory and that long-distance transportation is primarily transportation from one BMC to another BMC.

- (a) Please confirm that one day of Trip C would contribute one BMC stop-day and one non-BMC stop-day. If not confirmed, please explain fully.
- (b) What is the average driving distance between BMCs? Please describe your data source and provide your underlying calculations
- (c) What is the average driving time between BMCs? Please describe your data source and provide your underlying calculations.
- (d) Please provide in an electronic spreadsheet format the distance from each BMC and each auxiliary service facility (ASF) to every other BMC and ASF and explain how you calculated these distances.
- (e) What is the average driving distance between a BMC and the SCFs in its service territory? Please describe your data source and provide your underlying calculations.
- (f) What is the average driving time between a BMC and the SCFs in its service territory? Please describe your data source and provide your underlying calculations.
- (g) Please provide in an electronic spreadsheet format the driving distance from each BMC and each ASF to every SCF in each of their service territories and explain how you calculate these distances.
- (h) Please confirm that the average driving distance and time between two BMCs is higher than the average driving distance and time between BMCs and the SCFs in their service territory. If not confirmed, please explain fully.



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- (i) Please confirm that it is accurate to distribute inter-BMC highway transportation costs to a cost category based upon the number of stop-days only if the average trip distance is approximately the same for each cost category. If not confirmed, please explain fully.
- (j) Taking into account your responses to the above subparts of this interrogatory, please confirm that distributing Inter-BMC highway transportation costs to the intermediate and long-distance cost categories based upon number of stop-days overstates the costs of intermediate transportation and understates the cost of long-distance transportation because the average distance of long-distance transportation is much longer than the average distance of intermediate transportation. If not confirmed, please explain fully.

RESPONSE:

- (a) Confirmed.
- (b) I have not calculated the average distance between BMCs. TRACS does not need nor does it rely on that information. The driving distance between each pair of BMCs can be obtained from commercially available software packages. TRACS uses the 'Prophesy Plus Mileage Series' software, which is commercially available, to determine the distance for each leg of a trip. Driving distances can also be obtained from various internet sites such as <http://maps.yahoo.com> or <http://expedia.com>.  
Addresses for BMCs can be found on the Postal Service website <http://www.usps.com/bulkmailcenters>.
- (c) I have not calculated the average driving time between BMCs. TRACS does not need nor does it rely on that information. Various internet sites such as <http://maps.yahoo.com> and <http://expedia.com> provide some



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driving time information. Addresses for BMCs can be found on the Postal Service website <http://www.usps.com/bulkmailcenters>.

(d) I have not produced such a spreadsheet. TRACS does not need nor does it rely on such a spreadsheet. The driving distance between each pair of BMCs and ASFs can be obtained from commercially available software packages. Addresses for BMCs and ASFs can be found on the Postal Service website <http://www.usps.com/bulkmailcenters>. See also the response to part (b) of this interrogatory.

(e) I have not calculated the average distance between BMCs and the SCFs in their service territories. TRACS does not need nor does it rely on that information. See also the response to part (b) of this interrogatory.

Library Reference USPS-LR-J-200, Information Provided in Response to PSA/USPS-T2-2, contains the list of facilities that were included in FY00 TRACS sampling frame and indicated in NASS as an SCF/PDC/ PDF, along with their addresses and the BMC with which they are associated.

(f) I have not calculated the average driving time requested. TRACS does not need nor does it rely on that information. See also the response to part (c) of this interrogatory. Library Reference USPS-LR-J-200, Information Provided in Response to PSA/USPS-T2-2, contains the list of facilities that were included in FY00 TRACS sampling frame and indicated in NASS as an SCF/PDC/ PDF, along with their addresses and the BMC with which they are associated.



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- (g) I have not produced such a spreadsheet. TRACS does not need nor does it rely on such a spreadsheet. See also responses to parts (b), (c), and (d) of this interrogatory. Library Reference USPS-LR-J-200, Information Provided in Response to PSA/USPS-T2-2, contains the list of facilities that were included in FY00 TRACS sampling frame and indicated in NASS as an SCF/PDC/ PDF, along with their addresses and the BMC with which they are associated.
- (h) Not confirmed. I have not performed the analyses needed to answer this question. TRACS does not need nor does it rely on such information.
- (i) Not confirmed. I have not studied the use of stop-days for distributing transportation costs.
- (j) Not confirmed. I have not studied the use of stop-days for distributing transportation costs.



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**PSA/USPS-T2-3.** Please refer to your response to PSA/USPS-T25-5(c)-(f).

- (a) In FY 2000, what percentage of intra-bulk mail center (BMC) stop-days were for trips [legs] that originated and destined in the service territories of different bulk mail centers (BMCs)? Please provide your underlying calculations.
- (b) In FY 2000, what percentage of inter-sectional center facility (SCF) stop-days were for trips [legs] that originated and destined in the service territories of different bulk mail centers (BMCs)? Please provide your underlying calculations.
- (c) Please provide the average distance of intra-BMC transportation legs that originated and destined in the service territories of different BMCs.
- (d) Please provide the average distance of inter-SCF transportation legs that originated and destined in the service territories of different BMCs.
- (e) Please provide the average distance of intra-BMC transportation legs that originated and destined in the service territory of the same BMC.
- (f) Please provide the average distance of inter-SCF transportation legs that originated and destined in the service territory of the same BMC.

**Response**

- (a) Less than two percent of intra-BMC stop-days were for legs that originated and destined in the service areas of different BMCs. Out of the 2,048,108 total stop-days in FY 2000, 35,424 were in different service areas.
- (b) Fifteen percent (15%) Inter-SCF stop-days were for legs that originated and destined in the service areas of different BMCs. Out of the 4,545,748 total stop-days in FY2000, 660,028 were in different service areas.
- (c) The average distance of such transportation legs weighted by their operating days in FY2000 is two hundred and twenty-seven (227) miles.



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- (d) The average distance of such transportation legs weighted by their operating days in FY2000 is two hundred and fifty-four (254) miles.
- (e) The average distance of such transportation legs weighted by their operating days in FY2000 is eighty-six (86) miles.
- (f) The average distance of such transportation legs weighted by their operating days in FY2000 is fifty-one (51) miles.