

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 SHAW TO HEARING QUESTIONS OF VAL-PAK DIRECT
MARKETING SYSTEMS, INC. AND VAL-PAK DEALERS' ASSOCIATION, INC.
December 21, 2001

During hearings on December 14, 2001, counsel for Val-Pak Direct Marketing Systems, Inc., and Val-Pak Dealers' Association, Inc. asked several questions of witness Shaw that while he was unable to answer orally, he agreed to answer them as "homework" in writing.

Wherefore, the questions posed are quoted, with citations, from the transcript and answered.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SHAW
TO QUESTIONS VAL-PAK RAISED DURING HEARINGS

Question of Val-Pak at Tr. 3/298:

Q If there were changes to how IOCS Handbook F-45 handles DALs since the information was provided in J-34 through June 30, 2000, could you provide those as a library reference?

RESPONSE:

All Statistical Program (SP) Letters associated with IOCS data collection during FY1999 and BY2000 are provided in library reference USPS-LR-J-34/R2001-1.

From June 30, 2000 through September 24, 2001, there is one SP Letter that updates the instructions provided in the Handbook F-45 regarding DALs; SP Letter #3, FY2001, dated December 18, 2000. The applicable portion reads:

Bound Printed Matter (BPM) can be mailed with Detached Address Labels (see DMM55 A060.1.4). When "J. Bound Printed Matter" is selected in Q23B, the warning message that "Only periodicals or Std. A mail should have detached address cards" is eliminated.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS SHAW
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Question of Val-Pak at Tr. 3/311:

Q Mr. Chairman, insofar as we've now figured out what the confusion was; that in fact it is possible to do what we have previously asked for, for that subset of tallies that are single piece tallies as Witness Shaw has explained it today, we would ask the Postal Service to provide that distribution by weight at its earliest convenience if it would do that.

RESPONSE:

The direct tally distribution of flat-shaped ECR Standard Mail weight that is associated with a detached address label is displayed in Table 1. IOCS is not a volume or weight measurement system; distributions of tallies do not represent distributions of mailpieces.

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---TABLE 1-----
|                                     |Tallies|
| FLAT-SHAPED ECR STD. MAIL         |-----|
|                                     | WITH  |
|                                     | DAL   |
|-----+-----|
|WEIGHT INCREMENTS                  |        |
|-----+-----|
|WEIGHT <= to 1/2 OZ.                |    34 |
|-----+-----|
|1/2 OZ. < WEIGHT <= 1 OZ.           |    41 |
|-----+-----|
|1 OZ. < WEIGHT <= 1 1/2 OZS.         |    32 |
|-----+-----|
|1 1/2 OZS. < WEIGHT <= 2 OZS.        |    29 |
|-----+-----|
|2 OZ. < WEIGHT <= 2 1/2 OZS.         |    26 |
|-----+-----|
|2 1/2 OZS. < WEIGHT <= 3 OZS.        |    27 |
|-----+-----|
|3 OZ. < WEIGHT <= 3 1/2 OZS.         |    27 |
|-----+-----|
|3 1/2 OZS. < WEIGHT <= 4 OZS.        |    34 |
|-----+-----|
|4 OZS. < WEIGHT <= 5 OZS.            |    23 |
|-----+-----|
|5 OZS. < WEIGHT <= 6 OZS.            |    14 |
|-----+-----|
|6 OZS. < WEIGHT <= 7 OZS.            |     4 |
|-----+-----|
|7 OZS. < WEIGHT <= 8 OZS.            |     7 |
|-----+-----|
|8 OZS. < WEIGHT <= 9 OZS.            |     1 |
|-----+-----|
|9 OZS. < WEIGHT <= 10 OZS.           |     1 |
|-----+-----|
|10 OZS. < WEIGHT <= 11 OZS.          |     2 |
|-----+-----|
|15 OZS. < WEIGHT <= 16 OZS.         |     2 |
|-----+-----|

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TO QUESTIONS VAL-PAK RAISED DURING HEARINGS

Reference. 3/314:

Q But what I'm trying to get at is if the reading is in the office. I mean, it's the in-office cost system. If it's in the office, I understand they would observe it. I'm asking if it was in the parking lot loading a vehicle would it be observed outside of the building, or would they wait until the person came back.

Question of Val-Pak at Tr. 3/315:

Q Would it be difficult to provide an answer to that question, as well as to whether tallies are taken outside in the parking lot where the vehicles are loading or whether they wait until the employee comes back in?

RESPONSE:

During an IOCS carrier reading the data collector is asked to determine if the selected employee can be located on the premises, regardless of whether the selected employee is clocked to office or street time. On the premises means that either the employee can be located in the facility or in the immediate area. When the data collector locates the selected employee on the premises and in this case, the employee is loading a vehicle outside in the parking lot, the data collector must conduct the reading in the parking lot to complete the reading.

Please see library reference USPS-LR-I-14/R2000-1, page 10-7.

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.

Kenneth N. Hollies

December 21, 2001