

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

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS KINGSLEY TO INTERROGATORIES OF UNITED PARCEL SERVICE  
(UPS/USPS-T39-69-80)

The United States Postal Service hereby provides the responses of witness Kingsley to the following interrogatories of United Parcel Service: UPS/USPS-T39-69-80, filed on December 10, 2001. Interrogatory UPS/USPS-T39-68 was redirected to the Postal Service and will be answered separately.

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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Joseph K. Moore

475 L'Enfant Plaza West, S.W.  
Washington, D.C. 20260-1137  
(202) 268-3078, Fax -5402  
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RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
TO INTERROGATORIES OF UNITED PARCEL SERVICE

**UPS/USPS-T39-69** (a) Describe the types of mail arriving at a MODS facility that are first processed in the Manual Parcel operation and hence are counted as Manual Parcel First Handling Pieces (“FHP”).

(b) How is the FHP measured for each type of mail that is first processed in the Manual Parcel operation and hence are counted as Manual Parcel FHP?

(c) Describe the types of mail that are processed in the Manual Parcel operation but do not get counted as FHP in that operation.

(d) Indicate the MODS operation in which the mail that is processed in the Manual Parcel operation but does not get counted as FHP in that operation might get counted as FHP.

**Response:**

(a) The primary types of mail processed in manual parcel operations at a MODS facility are First-Class Mail parcels, nonmachinable Parcel Post, irregular parcels, and international parcels.

(b) Parcel FHP are determined by actual piece counts or conversion rates per container.

(c) & (d) All first handled pieces processed within the same MODS facility in a manual parcel operation should receive an FHP credit in the operation.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
TO INTERROGATORIES OF UNITED PARCEL SERVICE

**UPS/USPS-T39-70** Is Priority Mail ever processed in BCS cost pool? If yes:

(a) Explain the conditions under which Priority Mail will be processed in the BCS cost pool.

(b) Is Priority Mail processed as a part of mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

Yes. Some Priority Mail letters can occasionally become mixed with FCM letters being processed on a BCS. However, Priority Mail letters are not generally processed on a BCS. Priority Mail is processed as a separate mailstream.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
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**UPS/USPS-T39-71** Is Priority Mail ever processed in BCS/DBCS cost pool? If yes:

- (a) Explain the conditions under which Priority Mail will be processed in the BCS/DBCS cost pool.
- (b) Is Priority Mail processed as a part of mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

Yes. See UPS/USPS-T39-70.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
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**UPS/USPS-T39-72** Is Priority Mail ever processed in OCR cost pool? If yes:

(a) Explain the conditions under which Priority Mail will be processed in the OCR cost pool.

(b) Is Priority Mail processed as a part of mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

Yes. See UPS/USPS-T39-70.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
TO INTERROGATORIES OF UNITED PARCEL SERVICE

**UPS/USPS-T39-73** Is Priority Mail ever processed in FSM cost pool? If yes:

- (a) Explain the conditions under which Priority Mail will be processed in the FSM cost pool.
- (b) Is Priority Mail processed as a part of a mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

- a. Priority Mail flats may be processed in an FSM cost pool if there is a sufficient volume that is already separated from Priority Mail parcels.
- b. Priority Mail is processed as a separate dedicated sort run.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
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**UPS/USPS-T39-74** Is Priority Mail ever processed in FSM 1000 cost pool? If yes:

- (a) Explain the conditions under which Priority Mail will be processed in the FSM 1000 cost pool.
- (b) Is Priority Mail processed as a part of mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

Yes. See UPS/USPS-T39-73.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
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**UPS/USPS-T39-75** Is Priority Mail ever processed in the “SPBS Other” cost pool? If yes:

- (a) Explain the conditions under which Priority Mail will be processed in the SPBS Other cost pool.
- (b) Is Priority Mail processed as a part of mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

- a. It would occur when SPBS operation personnel forget to switch the MODS operation and sort plan from “SPBS Other” to “SPBS Priority”. Also, some Priority Mail may occasionally be mixed with other mail in an “SPBS Other” run.
- b. Priority Mail should be in a separate dedicated sort run.



RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
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**UPS/USPS-T39-76** Is Priority Mail ever processed in the Manual Letter cost pool? If yes:

(a) Explain the conditions under which Priority Mail will be processed in the Manual Letter cost pool.

(b) Is Priority Mail processed as a part of mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

Yes, some Priority Mail letters can occasionally become mixed with FCM letters. When Priority Mail is deliberately processed manually, it is processed in the Manual Priority cost pool regardless of shape.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
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**UPS/USPS-T39-77** Is Priority Mail ever processed in Manual Flats cost pool? If yes:

(a) Explain the conditions under which Priority Mail will be processed in the Manual Flats cost pool.

(b) Is Priority Mail processed as a part of mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

Yes. See UPS/USPS-T39-76.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
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**UPS/USPS-T39-78** Is Priority Mail ever processed in the “Manual Parcel” cost pool? If yes:

(a) Explain the conditions under which Priority Mail will be processed in the Manual Parcel cost pool.

(b) Is Priority Mail processed as a part of mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

Yes. See UPS/USPS-T39-76.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
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**UPS/USPS-T39-79** Is Priority Mail the only type of mail that gets processed in SPBS Priority cost pool? If not:

- (a) List all other types of mail that may get processed in the “SPBS Priority” cost pool.
- (b) Explain the conditions under which mail other than Priority Mail will be processed in the SPBS Priority cost pool.
- (c) Is Priority Mail processed as a part of mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

Some other mail may occasionally get mixed in with Priority Mail in the dedicated “SPBS Priority” runs. See Table 3 in the testimony of witness Van-Ty-Smith (USPS-T13) for a list of other types of mail that are occasionally found among the Priority Mail pieces in this operation.

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KINGSLEY  
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**UPS/USPS-T39-80** Is Priority Mail the only type of mail that gets processed in Manual Priority cost pool? If not:

- (a) List all other types of mail that may get processed in the Manual Priority cost pool.
- (b) Explain the conditions under which mail other than Priority Mail will be processed in the Manual Priority cost pool.
- (c) Is Priority Mail processed as a part of the mixed mail stream or as a separated sort run dedicated to the priority operation?

**Response:**

Yes. See UPS/USPS-T39-79.

## 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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Joseph K. Moore

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Washington, D.C. 20260-1137  
December 21, 2001