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 DIRECT MARKETINGASSOCIATION, INC. (DMA/USPS-T39-36-39)

The United States Postal Service hereby provides the responses of witness

Kingsley to the following interrogatories of Direct Marketing Association, Inc.:

DMA/USPS-T39-36-39, filed on December 10, 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 26, 2001

DMA/USPS-T39-36 Please refer to your response to DMA/USPS-T-39-21.

(a) Please confirm that the word "facilities" in your response is synonymous with "plants." If you can not confirm, please define "facilities".

(b) Based on your definition of "facilities," what will the total number of "facilities" be in FY 2003?

(c) Please reconcile your answers to part (a) and (b) of DMA/USPS-T-39-21 by explaining how it can be possible to both (1) have a goal that all facilities have one or more AFSM 100s but no 881 s, and (2) have a goal that 75 facilities have no AFSM 100s but one or more FSM 881s.

Response:

a. Not confirmed. The word "facilities" in DMA/USPS-T-39-21 means all locations with

flat sorting equipment.

- b. Approximately 312.
- c. An errata has been filed for DMA/USPS-T-39-21.

DMA/USPS-T39-37 On page 13 of your testimony you state, "By FY 2003, the number of FSM 881s in operation is expected to be reduced to approximately 110. They will be primarily relocated to smaller facilities,"

- (a) In FY 2000, how many facilities had one or more AFSM 100s but no FSM 881s?
- (b) In FY 2000, how many facilities had no AFSM 100s but one or more FSM 881s?
- (c) In FY 2000, how many facilities had one or more AFSM 100s and one or more FSM 881s?
- (d) In FY 2000, how many facilities had neither AFSM 100s nor FSM 881s?

Response:

- a. I am informed that approximately three facilities had one or more AFSM 100s but no FSM 881s at the end of FY 2000.
- b. I am informed that approximately 211 facilities had no AFSM 100s but one or more FSM 881s at the end of FY 2000.
- c. I am informed that approximately 61 facilities had one or more AFSM 100s and one or more FSM 881s at the end of FY 2000.
- d. I am informed that no facilities with flat sorters had neither AFSM 100s nor FSM
 881s at the end of FY 2000 (i.e., none with only an FSM 1000).

DMA/USPS-T39-38 In speaking of the Multi-Position Flats Sorting Machine 1000 (FSM 1000), you say, "There are 351 machines deployed..."

- (a) In the Base Year, how many facilities had one or more AFSM 100s and one or more FSM 1000s?
- (b) In the Base Year, how many facilities had one or more FSM 881s and one or more FSM 1000s?
- (c) In the Test Year, how many facilities had no AFSM 100s, no FSM 881s and no FSM 1000s?

Response:

- a. I am informed that at the end of the Base Year there were approximately 200 facilities which had one or more AFSM 100s and one or more FSM 1000s.
- I am informed that at the end of the Base Year there were approximately 130 facilities which had one or more FSM 881s and one or more FSM 1000s.
- c. Assuming you mean the Base Year, I am informed that there were no P&DCs and P&DFs which had no FSM 881s, no FSM 1000s and no AFSM 100s.

DMA/USPS-T39-39 In speaking of the Multi-Position Flats Sorting Machine 1000 (FSM 1000), you say, "There are 351 machines deployed..."

- (a) In the Test Year, how many facilities will have one or more AFSM 100s and one or more FSM 1000s?
- (b) In the Test Year, how many facilities will have one or more FSM 881s and one or more FSM 1000s?
- (c) In the Test Year, how many facilities will have no AFSM 100s, no FSM 881s, and no FSM 1000s?

Response:

- a. I am informed that in the Test Year, approximately 236 facilities will have one or more AFSM 100s and one or more FSM 1000s.
- I am informed that in the Test Year, there will be no facilities that will have one or more FSM 881s and one or more FSM 1000s.
- c. I am informed that in the Test Year, there will be no P&DCs or P&DFs that will have no AFSM 100s, no FSM 881s and no FSM 1000s.

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 26, 2001