

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

EXPERIMENTAL PARCEL RETURNS SERVICES

Docket No. MC2003-2

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS JENNIFER EGGLESTON TO INTERROGATORIES OF
THE OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T2-19-22)

The United States Postal Service hereby files the response of witness Jennifer Eggleston to the following interrogatories of the Office of the Consumer Advocate:

OCA/USPS-T2-19-22, filed on July 2, 2003.

The interrogatories are stated verbatim and are followed by the responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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July 10, 2003

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OCA/USPS-T2-19. Please refer to Attachment D of your testimony, specifically to the information “# of pieces in Container (Pallet Box).”

- a. Please confirm (separately, for i. – iv. below) that, for purposes of estimating storage costs, you have assumed that all PRS pieces will be stored in a Pallet Box, i.e.:
 - i. Parcel Post
 - ii. Bound Printed Matter
 - iii. RDU
 - iv. RBMC
- b. If so, please state whether the Postal Service plans to store each of the above in Pallet Boxes.
- c. If not, state what other types of containers may be used to store parcels at RDUs versus RBMCs. Also state whether the Parcel Post/BPM feature will cause storage to differ.
- d. If other types of containers than Pallet Boxes may be used to store PRS parcels, please cite the conversion factors for such containers.
- e. Footnote 1 of Attachment D cites Attachment C, page 6, as the source of the number of pieces per Pallet Box. If PRS storage Pallet Boxes tend to be less full than the average percentage figures set forth in column 6 of Attachment C, page 6, then is it not correct that the unit cost storage estimates you present in Attachment D will be higher than estimated? If your answer is negative, please explain.

RESPONSE:

- a.
 - i. Not Confirmed. I assume that you are referring to the benchmark intra-BMC Parcel Post. I did not estimate any storage costs specific to Parcel Post. I assumed the storage costs for RDU and RBMC were “over and above” the benchmark.
 - ii. Not Confirmed. My cost analysis does not provide any information on Bound Printed Matter.
 - iii. Confirmed that the storage costs use the pallet box dimensions to estimate storage costs.

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iv. Confirmed that the storage costs use the pallet box dimensions to estimate storage costs.

b. It is my understanding that RBMC parcels will most likely be stored in pallet boxes, but it is possible the container will vary by BMC and by shipper. The container will most likely vary by RDU site and by volume.

c & d. There are a wide range of containers that could potentially be used to store RBMC and RDU parcels. Please see attachment C, page 6 of my testimony for the conversion factors and container dimensions.

e. Yes, your assumption is correct. Storage costs are calculated by the square foot of floor space taken up by the container. If there were to be a lesser number of pieces in the container, there would be a greater estimated unit cost of storage.

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OCA/USPS-T2-20. Please refer to Attachment H, pages 1 – 4, of your testimony.

- a. Please explain whether the figures set forth for all lines and columns represent minutes or pieces, or both.
- b. Separately identify the “minutes” figures from the “pieces” figures.
- c. Explain how the data set forth on pages 1 – 4 sum separately to the figures set forth on page 5 (i.e., Volume, column 5; and Total Time, column 6).
- d. What do you mean by the “Source” footnote that reads: “[1] through [4]: Data collected directly through survey?” What data are you referring to?
- e. What do you mean by the “Source” footnote that reads: “[5]: Only includes volume when have entered data?”
- f. Also explain “Source” footnotes [6] and [7].

RESPONSE:

a & b. The row labeled “pieces” represents pieces. All other rows represent minutes.

c. The total columns on page 5, represent sums from the rows of data shown on pages 1-4. Column 5 (Volumes) is a sum of the volumes from the row “volume”, but it only includes volume from those columns that have a value for greater than zero for each row. For example, the row entitled “set up” includes all the volumes, because there is a time recorded at each site. The row entitled “selecting samples” does not include all the volumes, because a few surveys did not include time for that function. Column 6 (time) is a sum of all the minutes from each row on the first four pages.

d. I am referring to the data referenced in part (a) above. In other words, all the data that are shown in Attachment H, pages 1 through 4.

e. Please see the answer to part (c) above.

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f. While the hardcopy version of attachment H is 5 pages, the electronic copy of the attachment is in one spreadsheet. The term “row” refers to the spreadsheet “row”, and therefore is meant to refer to all the data in all 5 pages of the attachment. Footnote [6] refers to the sum of all the data found in each row of Attachment H, pages 1 – 4. Footnote [7] is column [6] (Total Time) divided by column [5] (Volume).

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OCA/USPS-T2-21. Please refer to Attachment G, page 1, of your testimony. Should footnote 1 refer to page 5, rather than page 4? Please explain any negative answer.

RESPONSE:

Yes, errata will be filed.

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OCA/USPS-T2-22. Please refer to Attachment G, page 2, footnote 2, of your testimony. During the experiment will it be possible for the Postal Service to calculate the average number of “returns per BMC per 5-day week,” per shipper, for all parcels routed through an RBMC based on actual return figures? Please explain any negative answer.

RESPONSE:

It is my understanding that it would be possible for the Postal Service to make this calculation.

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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