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

Postal Rate and Fee Changes, 1997　　) 　　　　　　　Docket No. R97-1

OFFICE OF THE CONSUMER ADVOCATE
INTERROGATORIES TO UNITED STATES POSTAL SERVICE
WITNESS CARL G. DEGEN
(OCA/USPS-T12-43-55)
September 9, 1997

Pursuant to sections 25 and 26 of the Rules of Practice of the Postal Rate

Commission, the Office of the Consumer Advocate hereby submits interrogatories and

requests for production of documents. Instructions included with OCA interrogatories

1-7 to the United States Postal Service dated July 16, 1997, are hereby incorporated by

reference.

Respectfully submitted,

GAIL WILLETTE
Director
Office of the Consumer Advocate

SHELLEY S. DREIFUSS
Attorney

OCA/USPS-T12-43. Please refer to USPS-T-1, Exhibit USPS-1B, page 4, Docket No.

MC93-1. In the column captioned "Volume Share," the following proportions were

presented for Special Rate Fourth Class:

Intra-BMC	.2639
Inter-BMC	.6396
Inter-BMC, 1 transfer	.0927
Inter-BMC, 2 transfers	.0038
[Sum]	[1.00]

a.   Is it reasonable to assume that these proportions are substantially the same for

BY 1996?

b.   If not, why not? If this assumption is not reasonable, then please update the

proportions presented above for BY 1996.

c.   Please present a similar set of proportions (summing to 1.00), by inter-BMC and

intra-BMC groupings, for library rate mail for BY 1996.

OCA/USPS-T12-44. Please provide the average miles per piece (i.e., total miles

divided by total pieces) separately for Special Fourth Class rate and for Library rate

mail.

OCA/USPS-T12-45. Please provide the average length of haul (similar to Form 12

information) for Special Fourth Class rate and for Library rate mail.

OCA/USPS-T12-46. Which postal data collection systems collect information on the

total or average number of miles traveled by Special Fourth Class rate and Library rate

mail, respectively?

OCA/USPS-T12-47. Does the Postal Service collect ODIS information on Special

Fourth Class rate (SFCR) mail?

a.   If so, can such information be used to determine average distances traveled by

        SFCR?

b.   If these questions are answered affirmatively, then please provide ODIS-derived

        information on the average distance traveled by SFCR.

OCA/USPS-T12-48. Does the Postal Service collect ODIS information on Library rate

(LR) mail?

a.   If so, can such information be used to determine average distances traveled by

        LR?

b.   If these questions are answered affirmatively, then please provide ODIS-derived

        information on the average distance traveled by LR.

OCA/USPS-T12-49. Which Postal Service data systems measure mileage by great

circle distances?

a.   Can any of them be used to determine the total or average distances traveled by

        Special Fourth Class rate (SFCR) and/or Library rate (LR) mail? Please explain.

b.   If so, please provide total or average distances traveled by SFCR and LR mail

        derived from such systems.

OCA/USPS-T12-50. Please refer to your response (September 2, 1997) to POIR No. 2,

question 1.

a.   Attachment 1 presents nominal Standard (B) Library rate (LR) unit costs. Show

the derivation of the Segment 14 unit costs for each year, FY 1990 through FY

1996.

    i.   For each figure used in the derivation, provide a citation to source

documents used and furnish copies of such documents if they are not

already on file with the Commission.

    ii.   State which postal data systems generated the information used to derive

the segment 14 unit costs.

b.   Present the same information requested in part a. (including subparts i. and ii.) of

this interrogatory for each of the remaining cost segments in Attachment 1 (for

LR mail).

c.   In the last paragraph of your response, you conclude that: "Library rate costs,

like Classroom, suffer from some instability due to the small volume and the

nature of the IOCS sampling procedure." Please address the same issues, i.e.,

    i.   "the small volume [of LR mail] and the nature of the . . . sampling

procedure" with respect to the data systems noted in subpart a.ii. of the

instant interrogatory (for segment 14);

    ii.   the number of tallies involved in generating segment 14 costs for LR mail;

    iii.   whether tallies "occurr[ed] in proportion to volume" in segment 14 data

collection;

    iv.   provide "tallies per dollar of unit cost" for segment 14 costs.

OCA/USPS-T12-51. Please refer to W/S 14.1.2.3, (PQ 1, 1996 Purchased

Transportation Report), Workpaper B-14, USPS-T-5, at pages 5-7, (which

presents the "Distribution Process" using TRACS keys for various modes of

"Highway Service").

a.   Confirm that the TRACS intra-BMC key (p. 5) shows the following ratio of Special

Fourth Class rate (SFCR) to Library rate (LR): 5580 ÷ 1654 = 3.4; i.e.,

approximately 3.4 to 1.

b.   Confirm that the TRACS inter-BMC key (p. 6) shows the following ratio of SFCR

to LR: 4976 ÷ 1010 = 4.9; i.e., approximately 5 to 1.

c.   Confirm that the TRACS inter-BMC and freight rail key (p. 7) shows the following

ratio of SFCR to LR: 5906 ÷ 1147 = 5.1; i.e., approximately 5 to 1.

d.   If you are unable to confirm parts a. through c., then please furnish all

appropriate corrections.

OCA/USPS-T12-52. Please refer to W/S 14.1.2.2, (PQ 2, 1996 Purchased

Transportation Report), Workpaper B-14, USPS-T-5, at pages 5-7, (which

presents the "Distribution Process" using TRACS keys for various modes of

"Highway Service").

a.   Confirm that the TRACS intra-BMC key (p. 5) shows the following ratio of Special

Fourth Class rate (SFCR) to Library rate (LR): 6132 ÷ 2440 = 2.5; i.e.,

approximately 2.5 to 1.

b.   Confirm that the TRACS inter-BMC key (p. 6) shows the following ratio of SFCR

to LR: 6109 ÷ 1339 = 4.6; i.e., approximately 4.6 to 1.

c.   Confirm that the TRACS inter-BMC and freight rail key (p. 7) shows the following

ratio of SFCR to LR: 5501 ÷ 1121 = 4.9; i.e., approximately 5 to 1.

d.   If you are unable to confirm parts a. through c., then please furnish all

appropriate corrections.

OCA/USPS-T12-53. Please refer to W/S 14.1.2.1, (PQ 3, 1996 Purchased

Transportation Report), Workpaper B-14, USPS-T-5, at pages 5-7, (which

presents the "Distribution Process" using TRACS keys for various modes of

"Highway Service").

a.   Confirm that the TRACS intra-BMC key (p. 5) shows the following ratio of Special

Fourth Class rate (SFCR) to Library rate (LR): 5266 ÷ 749 = 7; i.e.,

approximately 7 to 1.

b.   Confirm that the TRACS inter-BMC key (p. 6) shows the following ratio of SFCR

to LR: 5654 ÷ 1411 = 4; i.e., approximately 4 to 1.

c.   Confirm that the TRACS inter-BMC and freight rail key (p. 7) shows the following

ratio of SFCR to LR: 6122 ÷ 1661 = 3.6; i.e., approximately 3.6 to 1.

d.   If you are unable to confirm parts a. through c., then please furnish all

appropriate corrections.

OCA/USPS-T12-54. Please refer to W/S 14.1.2, (PQ 4, 1996 Purchased Transportation

Report), Workpaper B-14, USPS-T-5, at pages 5-7, (which presents the

"Distribution Process" using TRACS keys for various modes of "Highway

Service").

a.   Confirm that the TRACS intra-BMC key (p. 5) shows the following ratio of Special

      Fourth Class rate (SFCR) to Library rate (LR): 6409 ÷ 1654 = 3.8; i.e.,

      approximately 4 to 1.

b.   Confirm that the TRACS inter-BMC key (p. 6) shows the following ratio of SFCR

      to LR: 7485 ÷ 1054 = 7.1; i.e., approximately 7 to 1.

c.   Confirm that the TRACS inter-BMC and freight rail key (p. 7) shows the following

      ratio of SFCR to LR: 7815 ÷ 1233 = 6.3; i.e., approximately 6 to 1.

d.   If you are unable to confirm parts a. through c., then please furnish all

      appropriate corrections.

OCA/USPS-T12-55. The following table assembles the ratios computed in

interrogatories OCA/USPS-T12-51 through -54.

Postal Quarter	Intra-BMC	Inter-BMC	Inter-BMC & Freight Rail
1	3.4 to 1	5 to 1	5 to 1
2	2.5 to 1	4.6 to 1	5 to 1
3	7 to 1	4 to 1	3.6 to 1
4	4 to 1	7 to 1	6 to 1

a.   With the exception of PQ 3, would you agree that these ratios tend to establish

      that Special Fourth Class rate (SFCR) utilizes comparatively more inter-BMC and

      inter-BMC/freight-rail service and less intra-BMC service than does Library rate

      (LR) mail? If you do not agree, please explain.

b.   Do you further agree that these ratios tend to show that SFCR exhibits a more

nationwide distribution pattern than LR, and, that LR, in turn, exhibits a more

localized distribution pattern? If you do not agree, please explain.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all

participants of record in this proceeding in accordance with section 12 of the rules of

practice.

Shelley S. Dreifuss

SHELLEY S. DREIFUSS
Attorney

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