POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS MODEN TO INTERROGATORY OF
THE NATIONAL NEWSPAPER ASSOCIATION
REDIRECTED FROM WITNESS PAFFORD
(NNA/USPS-T1-2)

The United States Postal Service hereby provides the response of witness

Moden to the following interrogatory of the National Newspaper Association: NNA/

USPS-T1-2, filed on August 29, 1997, and redirected from witness Pafford.
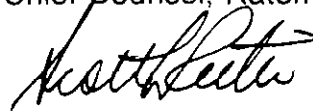
The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

Scott L. Reiter

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September 12, 1997

NNA/USPS T1-2. Please refer to Library Reference H220, report on Case No. 034-1177491, page 8.

a. Please explain how end-of-run data are collected. Please confirm that end-of-run data apply only to automated mail. If you cannot confirm, please explain.

b. Do you agree that end-of-run data would be more reliable than MODS data? If so, please explain why. If not, explain why not.

Response.

a. End-of run data is collected after running a batch of mail through a mail processing machine equipped with counters. On a modern computer controlled machine, the counter readings may be collected through a computer network. On older equipment, dials and mechanical counters will be read and the values transcribed to a form. To the best of my knowledge, every USPS machine for processing individual mail pieces has some type of piece counter.

b. It is my understanding that MODS Total Piece Handling (TPH) volumes are used for cost and volume variation computations in this case, and these volumes for machine processed mail <u>are</u> from end-of-run data. Specifically, MODS TPH data on machine-based operations is collected from machine counters and is defined as Pieces Fed less Pieces Rejected, both from machine counters (with a few minor modifications such as the stray letter belt under the MPLSM). An actual count of pieces processed is certainly more accurate than an estimate, and that is the reason end-of-run data is used where available in calculating TPH. The comments in LR-H-220, page 8,

refer to First Handling Pieces (FHP) which are counts of pieces sorted in a

plant <u>for the first time.</u>

DECLARATION

I, Ralph J. Moden, declare under penalty of perjury that the foregoing

answers are true and correct, to the best of my knowledge, information and

belief.

Ralph J. Moden

Dated: ___9/11/97___

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.

Scott L. Reiter

Scott L. Reiter

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