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

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97–1

RESPONSE OF UNITED STATES POSTAL SERVICE TO INTERROGATORY OF THE DIRECT MARKETING ASSOCIATION, INC. REDIRECTED FROM WITNESS BRADLEY (DMA/USPS–T14–34)

The United States Postal Service hereby provides the response to the following interrogatory of the Direct Marketing Association, Inc.: DMA/USPS–T14–34, filed on August 29, 1997, and redirected from witness Bradley.

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

Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260–1137
(202) 268–2992; Fax –5402
September 12, 1997

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DMA
(REDIRECTED FROM WITNESS BRADLEY)

DMA/USPS-T14-34. Please refer to your response to DMA/USPS-T14-6.

a. Please describe any source (either within or outside of the Postal Service) that describes the PIRS system.

b. If your response to sub-part a. indicates that no such documentation is available, please provide a narrative description of the PIRS system (including, but not limited to, the role and training of the data collector, the types of mail processing and distribution activities that are recorded, the method in which such activities are recorded, the types of coding or tallies that are used to reflect the activities, and the processes used to ensure the reliability of the data).

RESPONSE:

a. No such documentation is available.

b. The PIRS system is an operating data systems analogous to the MODS system in many (albeit not all) respects, which reports data for the 21 Bulk Mail Centers. As with MODS, the purpose of the system is to report both workload measurement data and workhour data. PIRS procedures, however, tend to be less standardized than MODS procedures, which is made possible by the smaller number of facilities involved.

Operations covered: The PIRS system reports information for mail processing operations in the BMCs. In comparison with MODS, the numbers used by different BMCs to refer to various operations are much less uniform across facilities. Nevertheless, the operations themselves are consistent. The categories are:

PPSM -- Primary Parcel Sorting Machine operations
SPSM -- Secondary Parcel Sorting Machine operations
SSM -- Sack Sorting Machine operations (also handle trays)
NMO -- Non Machineable Outside operations
IPP -- Irregular Parcel and Packages operations
115 -- Sack Opening operations (includes SPBS machines)
Indirect -- Allied operations

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DMA
(REDIRECTED FROM WITNESS BRADLEY)

Inbound -- Dock/platform operations
045 -- Manual letter operations
075 -- Manual flat operations

The last two categories, 045 and 075, are no longer in effect. Most facilities do not report hours or workload in those operations.

Workhours: In BMCs, employees upon arrival generally clock into a base operation, in which most of them will spend their entire tour. If for some reason they move between operations, the shift can be handled in either of two ways. One, they may use their badges to clock out of the first operation and clock into the second. Two, the supervisors may use a manual form (Form 2345) to detail staffing movements into and out of their operation. In either case, the number of hours worked in each operation will be calculated in the timekeeping office at the BMC, using the clock rings and the Forms 2345.

Workload: Workload measures are available for six sorting activities (PPSM, SPSM, SSM, NMO, IPP, and 115). For the machine-based sortations, the piece counts are recorded electronically and transmitted to the BMC's computer room. For manual operations, the workload measures are derived from the type and number of containers sorted, which is collected as the containers are being dumped. Conversion factors are used to estimate the number of pieces associated with the number of containers processed. Some of these conversion factors are fairly standard nationwide, while others exhibit more variation based on local equipment and handling practices. Weighing of mail is not part of the workload measurement

process at BMCs. In manual operations, the supervisors provide the estimate of pieces worked to the BMC's computer room at the end of their tour.

Further details on those operations that have some manual component are as follows:

NMO: Despite the label, NMO operations include both a machine-sort and a manual-sort component. (The "outside" in NMO refers to parcels that do not fit in enclosed containers such as OTRs or APCs.) For the mechanized portion, piece counts come from sensors, or from container conversions. For the manual portion, the workload measure comes from container conversion factors.

IPP: The procedure in this operation is to use container conversion factors to convert containers worked to piece counts.

115: The sack opening operation also has a manual and a mechanized component. In the mechanized component, using the Small Parcel and Bundle Sorter (SPBS) equipment, the procedure is either to convert the number of bundles keyed (machine count) to sacks, to count sacks at the point of induction, or use container conversion factors. All sack counts are converted to piece counts. In the manual portion, the procedure is to use container conversion factors to estimate piece counts from the number of containers worked.

Two other workload measures are reported by PIRS that are not directly associated with any of the specific operations, but are reported for the facility as a whole. These are:

Cross-dock pallets: While this is not a separate operation, PIRS does report information on the number of cross-dock pallets. These counts, taken by either the fork lift drivers or the dock clerks/supervisors, are made at the inbound dock, the outbound dock, or both.

TEP (Total Equivalent Pieces): TEP is essentially an index number intended to reflect the total workload throughout the facility. It is calculated by applying different weights to pieces of different types (e.g., parcels, IPPs, NMOs, etc.) as reported in each of the various operations, and summing across all types.

RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF DMA
(REDIRECTED FROM WITNESS BRADLEY)

Reporting: While facilities can generate reports by tour, day, week, or year, the national aggregation process is done on an AP basis. At the end of each 4-week AP, the in-plant operations personnel in the computer room will generate a weekly report for each of the 4 weeks, and transmit the data to the data center in San Mateo. After all 21 BMCs have transmitted their data for an AP to San Mateo, personnel at Headquarters can access the data and run the Headquarters routine on a preliminary and, if necessary, revised basis. Once the Headquarters routine has been finalized, individual facilities can use the San Mateo database to generate reports.

Training: Since PIRS requires the involvement of no data collectors per se, there is no training for such individuals. To the extent that supervisors provide part of the data that the system reports, those supervisors are instructed at the local level regarding their responsibilities in this regard as part of the same process by which they are instructed as to the rest of their supervisory functions. Similarly, other BMC personnel involved in the PIRS reporting process (e.g., timekeeping, computer room) receive the necessary instructions in these matters in the same manner as they learn the other aspects of their job.

Data reliability: Data recorded electronically, such as clock rings and machine counts, have less opportunity for error. Data provided by supervisors on a manual basis present other issues. There are several important factors to bear in mind, however. Supervisors are instructed to take steps to insure that the hours for the operation(s) for which they are responsible are accurately recorded. When workers

move between operations, there are likely to be at least two supervisors with the responsibility to make sure the move is recorded, either by clock ring or by Form 2345.

With respect to manual workload data, another factor to keep in mind is the relationship between the reported mail volume worked, and the reported beginning and ending inventories of mail. Supervisors report all three types of data, and, obviously, the volume worked during a tour is closely related to the beginning and ending inventory. Yet one supervisor's ending inventory is the next supervisor's beginning inventory. This creates a partial system of checks and balances in terms of reporting workload measures.

As workhour and workload data are assembled in the computer room, local personnel will review the numbers, and seek to rectify obvious reporting errors or questionable observations. Local revisions can thus be made before any data are sent to San Mateo. After the data have gone to San Mateo, Headquarters personnel will also review the data for each facility in the course of running the Headquarters routine. Potential errors and discrepancies will be identified, and Headquarters personnel will work with individual facilities to resolve any problems. If necessary, the Headquarters routine will be rerun with revised data before the San Mateo database is finalized for report writing purposes.

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.

Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260–1137
September 12, 1997