DOCKET SECTION

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

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POSTAL RATE CCHMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS MODEN TO INTERROGATORIES OF THE NEWSPAPER ASSOCIATION OF AMERICA (NAA/USPS-T4-18-22, 24-27)

The United States Postal Service hereby provides responses of witness Moden to the following interrogatories of the Newspaper Association of America: NAA/ USPS-T4—18-22, 24-28, filed on September 16, 1997. Interrogatories NAA/USPS-T4—23 and 28 were redirected to the Postal Service.

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

Scott L. Reiter

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2999; Fax –5402 September 30, 1997

NAA/USPS-T4-18. Please refer to your response to NAA/USPS-T4-5. Please provide the following figures. (If you cannot provide an exact percentage, an estimate will be adequate.)

- a. What percentage of ECR high density letters are barcoded by the mailer?
- b. What percentage of ECR saturation letters are barcoded by the mailer?
- c. What percentage of ECR high density letters are barcoded by the Postal Service?
- d. What percentage of ECR saturation letters are barcoded by the Postal Service?

Response:

- a. I am told that the information is not available and I have no basis on which to make an estimate.
- b. I am told that the information is not available and I have no basis on which to make an estimate.
- c. I am told that the information is not available. Any decision to barcode ECR High Density and/or Saturation letters is made at the local level, so it is impractical for me to formulate an estimate on how many ECR high density and/or saturation letters are barcoded by the Postal Service. I can tell you, however, that plants concentrate the majority of their efforts on barcoding the ECR basic letters as opposed to the ECR High Density and/or Saturation letters.
- d. See response to (c).

NAA/USPS-T4-19. Please refer to your response to NAA/USPS-T4-5(f). You state that mailer barcoding of ECR saturation letter mail is advantageous for zones where it is cost effective to merge ECR saturation letters with their DPS mail.

- a. Please explain how the Postal Service determines whether it is cost effective to merge ECR saturation mail with DPS mail within a zone. What factors determine whether it is cost effective to merge this mail?
- b. Please provide the number of total zones within the Postal Service.
- c. What percentage of total zones are CSBCS zones?
- d. What percentage of total zones are DBCS zones?
- e. What percentage of total zones are manual zones?

Response:

- a. As mentioned in NAA/USPS-T4-18(c), any decision to barcode ECR High Density and/or Saturation letters is made at the local level. See Library Reference MCR-64 in Docket MC95-1 for the factors that are used to determine whether it is cost effective to merge ECR mail with DPS mail within a zone.
- b. 42,997
- c. Approximately 6 percent.
- d. Approximately 22 percent.
- e. Approximately 53 percent.

NAA/USPS-T4-20. Please refer to your response to NAA/USPS-T4-5(f). You note that letters are not eligible for the automated Carrier Route rate for DCBS [sic] zones.

- a. Are letters eligible for the ECR high density letter rate for DCBS [sic] zones? Please explain why or why not.
- b. Are letters eligible for the ECR saturation high density letter rate for DCBS [sic] zones? Please explain why or why not.

Response:

a. - b. Yes, as long as they meet the preparation requirements for that rate category. The zone's processing category does not figure into the equation. Also, letters may also be eligible for the basic carrier route rate if they meet the preparation requirements for that rate category.

NAA/USPS-T4-21. Is it a goal of the Postal Service to have as much letter mail barcoded as possible? Please explain why or why not.

Response:

As mentioned at page 5, lines six through seven, of my testimony, the goal is to barcode 88% of all letters in FY 1998 in order to maximize the savings potential of the automation program.

NAA/USPS-T4-22. Please refer to your response to NAA/USPS-T4-13 (b). You note that a doubling of mail volumes results in less than a doubling in workhours since ...people generally work faster when there is a steady inventory of mail waiting to be processed..."

- a. Do managers take this tendency for people to work faster when there is a steady inventory of mail waiting to be processed into account when scheduling staff for a given shift? If yes, please explain how they calculate the needed staff for a given increase in mail volume.
- b. Do mail processors slow down as mail volumes begin to dwindle during their shift? Please explain.

Response:

- a. Yes, when calculating staff for manual operations due to volume increases they commonly reduce the estimated additional staffing by an "absorption factor" based on local historical experience. This experience is driven both by the cited tendency and by the component activities of manual operations that do not increase proportionately with volume (e.g. obtaining mail, sweeping, hanging sacks, etc.).
- b. Activity in mail processing normally peaks near the end of a tour when sorting must be completed to meet schedule transportation departures. To the extent that mail volume dwindled in any operation, personnel would be moved to help meet peak processing requirements in other operations or clocked out.

NAA/USPS-T4-24. Are "fourth bundles" used on types of carrier routes to which the June 9, 1997, arbitration decision does not apply? If so, please identify the type of routes and explain the uses of each of the bundles.

Response:

Yes. See AAPS/USPS-T36-1 for the types of routes affected by the decision. All other types of routes as mentioned in the testimony of witness Lewis (USPS-T4) in Docket MC95-1 are not affected by the decision.

NAA/USPS-T4-25. Please describe how unaddressed flats are cased or otherwise handled in a vertical flats casing (VFC) environment?

Response:

See AAPS/USPS-3 for the handling of unaddressed flats on routes that are subject to the arbitrator's ruling (see AAPS/USPS-1). For all other routes, detached label flats are handled in the traditional manner as described in the testimony of witness Lewis (USPS-T4) in Docket MC95-1.

NAA/USPS-T4-26. What proportion of carrier offices are equipped with vertical flats cases? With horizontal flats cases?

Response:

The information requested in both parts of the question is unknown.

NAA/USPS-T4-27. What proportion of park and loop and foot routes use the composite bundle work method?

Response:

The information is unknown.

DECLARATION

I, Raiph J. Moden, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information and belief.

Raph & Modern

Dated: $\frac{9/30/97}{}$

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

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 September 30, 1997