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

POSTAL RATE AND FEE CHANGES
PURSUANT TO PUBLIC LAW 108-18

Docket No. R2005–1

RESPONSES OF POSTAL SERVICE WITNESS BOZZO
TO INTERROGATORIES OF THE ABA AND NAPM (ABA&NAPM/USPS-T21-1 - 18),
REDIRECTED FROM WITNESS ABDIRAHMAN
(May 17, 2005)

The United States Postal Service hereby provides the responses of witness

Bozzo to the following interrogatories of ABA and NAPM, filed on May 3, 2005, and

redirected from witness Abdirahman: ABA&NAPM/USPS-T21-1 - 18.

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

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Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-2992, Fax -5402
May 17, 2005

ABA&NAPM/USPS-T21-1.

Please refer to the library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY." For each of the MODS operational groups listed in the following table, please provide the following items:

i)   The detailed sequence of activities that constitute this group, at the most disaggregated level.
ii)   The corresponding IOCS activity code.
iii)   The corresponding LDC code.
iv)   The cost associated with each activity.
v)   The productivity associated with each activity.
vi)   State if each of the activities included is worksharing or non-worksharing related.

MODS Operational Groups List:
Outgoing ISS
Incoming ISS
REC
LMLM
Outgoing OSS
Incoming OSS
Outgoing BCS Primary
Outgoing BCS Secondary
Incoming BCS MMP
Incoming BCS SCF/Primary
Incoming BCS Secondary Carrier Route (1 Pass)
Incoming BCS Secondary DPS (2 Pass)
Incoming CSBCS Secondary DPS (3 Pass)
Manual Outgoing Primary
Manual Outgoing Secondary
Manual ADC (in MMP)
Manual Incoming SCF/Primary
Manual Incoming Secondary, MODS Site
Manual Incoming Secondary Non MODS Sites
P.O. Box Sort DPS
P.O. Box Sort Other
Tray Opening Unit Bundle Sorting

ABA&NAPM/USPS-T21-1 Response:

i.   The table below provides the 3-digit MODS operation numbers for the operation

     groups in the list with MODS-based productivities. See also Handbook M-32,

     Management Operating Data System, filed as Docket No. R2001-1, LR-J-165. Please

     note that productivities for "Manual Incoming Secondary Non-MODS Sites," "P.O. Box

     Sort DPS," "P.O. Box Sort Other," and "Tray Opening Unit Bundle Sorting" are derived

     from special studies.

ii. The IOCS tallies associated with the listed operation groups will not, in general, all

     have a single activity code. IOCS activity code assignments depend on the mail, if

     any, a sampled employee is handling, and the specific work activities observed by the

     data collectors at the time of the reading.

iii. The table below lists the LDC code associated with the MODS operations provided for

     part (i). Additionally, non-MODS manual sorting is typically LDC 43, P.O. Box sorting

     is typically LDC 44, and opening unit operations are in LDC 17.

iv. The table below provides the estimated cost for the MODS operations provided for

     part (i), calculated by splitting witness Van-Ty-Smith's cost pool dollars to operations

     using the MODS workhours in LR-K-55, part I.

v.   The table below provides productivity for each 3-digit MODS operation provided for

     part (i). Please note that productivities for "Manual Incoming Secondary Non-MODS

     Sites," "P.O. Box Sort DPS," "P.O. Box Sort Other," and "Tray Opening Unit Bundle

     Sorting" are derived from special studies and cannot be disaggregated.

vi.   It is my understanding that the 1OPPREF cost pool associated with "Tray Opening Unit Bundle Sorting" is classified as Worksharing Related-Fixed by witness Abdirahman. It is my understanding that the remaining listed operation groups are associated with cost pools classified as Proportional.

Response to ABA&NAPM/USPS-T21-1

MODS Productivity, LDCs, and Cost by Operation

Group	Group Name	Operation	Operation Name	TPF/Hour	LDC	Est. Cost ($)
01	Outgoing ISS	281	DBCS/DIOSS ISS OUTGOING PRIMARY	8,519	11	14,362,529
01	Outgoing ISS	282	DBCS/DIOSS ISS OUTGOING SECONDARY	39,751	11	3,628
01	Outgoing ISS	881	MLOCR-ISS-OUTGOING PRIMARY	6,545	11	94,993,743
01	Outgoing ISS	882	MLOCR-ISS-OUTGOING SECONDARY	7,304	11	226,198
02	Incoming ISS	283	DBCS/DIOSS ISS MANAGED MAIL	5,660	11	836,868
02	Incoming ISS	284	DBCS/DIOSS ISS INCOMING SCF PRIMARY	9,011	11	577,447
02	Incoming ISS	285	DBCS/DIOSS ISS INCOMING PRIMARY	6,276	11	82,158
02	Incoming ISS	286	DBCS/DIOSS ISS INCOMING SECONDARY	9,918	11	22,869
02	Incoming ISS	287	DBCS/DIOSS ISS BOX SECTION	4,118	11	7,438
02	Incoming ISS	883	MLOCR-ISS-MANAGED MAIL	3,046	11	26,896,525
02	Incoming ISS	884	MLOCR-ISS-INCOMING SCF	5,275	11	16,589,619
02	Incoming ISS	885	MLOCR-ISS-INCOMING PRIMARY	4,126	11	7,298,446
02	Incoming ISS	886	MLOCR-ISS-INCOMING SECONDARY	3,500	11	249,320
03	REC	775	RBCS KEYING	765	15	127,604,828
04	LMLM	776	LETTER MAIL LABELING MACHINE	3,182	15	11,968,896
05	Outgoing OSS	091	CIOSS TRS IMAGE LIFT MODE	3,863	11	171,489
05	Outgoing OSS	092	CIOSS TERNATIONAL OUTBOUND	6,069	11	80,852
05	Outgoing OSS	093	CIOSS FORWARD IMAGE LIFT MODE	7,333	11	287,243
05	Outgoing OSS	094	CIOSS REVERSE SIDE SCAN	3,061	11	25,447
05	Outgoing OSS	095	CIOSS RESCAN	3,359	11	4,868
05	Outgoing OSS	096	CIOSS OTHER MODE	4,095	11	25,317
05	Outgoing OSS	097	CIOSS INTRCEPT IMAGE LIFT MODE	3,395	11	95,118
05	Outgoing OSS	098	CIOSS FWDS LABEL MODE	5,676	11	275,574
05	Outgoing OSS	099	CIOSS RTS LABEL MODE	6,018	11	161,022
05	Outgoing OSS	261	DBCS/DIOSS OCR O/G PRIMARY	4,284	11	2,898,551
05	Outgoing OSS	262	DBCS/DIOSS OCR O/G SECONDARY	74,214	11	7,117
05	Outgoing OSS	271	DBCS/DIOSS OSS OUTGOING PRIMARY	9,729	11	69,755,115
05	Outgoing OSS	272	DBCS/DIOSS OSS OUTGOING SECONDARY	11,717	11	1,655,685
05	Outgoing OSS	971	BCS-OSS-OUTGOING PRIMARY	8,702	11	10,513,124

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Group	Group Name	Operation	Operation Name	TPF/Hour	LDC	Est. Cost ($)
05	Outgoing OSS	972	BCS-OSS-OUTGOING SECONDARY	3,155	11	1,308,217
06	Incoming OSS	263	DBCS/DIOSS OCR MANAGED MAIL	7,977	11	185,643
06	Incoming OSS	264	DBCS/DIOSS OCR INCOMING SCF PRIMARY	7,075	11	176,330
06	Incoming OSS	265	DBCS/DIOSS OCR INCOMING PRIMARY	9,544	11	18,065
06	Incoming OSS	266	DBCS/DIOSS OCR INCOMING SECONDARY	10,153	11	189,309
06	Incoming OSS	267	DBCS/DIOSS OCR BOX SECTION	13,216	11	23,228
06	Incoming OSS	273	DBCS/DIOSS OSS MANAGED MAIL	4,333	11	3,578,175
06	Incoming OSS	274	DBCS/DIOSS OSS INCOMING SCF PRIMARY	11,818	11	295,366
06	Incoming OSS	275	DBCS/DIOSS OSS INCOMING PRIMARY	9,746	11	553,531
06	Incoming OSS	276	DBCS/DIOSS OSS INCOMING SECONDARY	7,699	11	127,222
06	Incoming OSS	277	DBCS/DIOSS OSS BOX SECTION	44,220	11	335
06	Incoming OSS	278	DBCS/DIOSS OSS SEC/SEGMENT 1ST PASS	53,527	11	1,064
06	Incoming OSS	973	BCS-OSS-MANAGED MAIL	5,012	11	3,058,979
06	Incoming OSS	974	BCS-OSS-INCOMING SCF	7,593	11	1,887,878
06	Incoming OSS	975	BCS-OSS-INCOMING PRIMARY	10,494	11	834,042
06	Incoming OSS	976	BCS-OSS-INCOMING SECONDARY	7,065	11	1,003,964
06	Incoming OSS	977	BCS-OSS-BOX SECTION	113,033	11	1,530
06	Incoming OSS	978	BCS-OSS SECTOR/SEGMENT 1ST PASS	408	11	26,154
06	Incoming OSS	979	BCS-OSS SECTOR/SEGMENT 2ND PASS	18,800	11	2,169
07	Out BCS Primary	481	DBCS-EC EC MODE-OUTGOING PRIMARY	5,397	11	833,624
07	Out BCS Primary	851	MPBCS CHUNKY MOD-OUTGOING PRIMARY	2,441	11	281,239
07	Out BCS Primary	861	BCS ON OCR-OUTGOING PRIMARY	750	11	68,276
07	Out BCS Primary	871	MPBCS-OUTGOING PRIMARY	4,745	11	2,014,767
07	Out BCS Primary	891	DBCS/DIOSS BCS OUTGOING PRIMARY	8,184	11	60,017,486
08	Out BCS Secondary	482	DBCS-EC EC MODE-OUTGOING SECONDARY	3,901	11	21,884
08	Out BCS Secondary	852	MPBCS CHUNKY MOD-OUTGOING SECONDARY	11,462	11	2,218
08	Out BCS Secondary	862	BCS ON OCR-OUTGOING SECONDARY	13,313	11	106,439
08	Out BCS Secondary	872	MPBCS-OUTGOING SECONDARY	8,109	11	5,967,899
08	Out BCS Secondary	892	DBCS/DIOSS BCS OUTGOING SECONDARY	8,889	11	35,872,193
09	In BCS MMP	483	DBCS-EC EC MODE-MANAGED MAIL	5,602	11	192,237
09	In BCS MMP	853	MPBCS CHUNKY MOD-MANAGED MAIL	323	11	379
09	In BCS MMP	863	BCS ON OCR-MANAGED MAIL	4,223	11	405,516
09	In BCS MMP	873	MPBCS-MANAGED MAIL	6,899	11	24,329,008

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Group	Group Name	Operation	Operation Name	TPF/Hour	LDC	Est. Cost ($)
09	In BCS MMP	893	DBCS/DIOSS BCS MANAGED MAIL	6,276	11	151,017,917
10	In BCS SCF/Primary	484	DBCS-EC EC MODE-INCOMING SCF PRIMAR	2,326	11	349,043
10	In BCS SCF/Primary	485	DBCS-EC EC MODE-INCOMING PRIMARY	2,502	11	120,756
10	In BCS SCF/Primary	854	MPBCS CHUNKY MOD-INCOMING SCF PRIM	9,091	11	82,052
10	In BCS SCF/Primary	864	BCS ON OCR-INCOMING SCF	6,229	11	1,349,375
10	In BCS SCF/Primary	865	BCS ON OCR-INCOMING PRIMARY	10,747	11	1,226,964
10	In BCS SCF/Primary	874	MPBCS-INCOMING SCF	6,546	11	47,954,377
10	In BCS SCF/Primary	875	MPBCS-INCOMING PRIMARY	7,266	11	13,356,596
10	In BCS SCF/Primary	894	DBCS/DIOSS BCS INCOMING SCF PRIM	6,520	11	127,443,199
10	In BCS SCF/Primary	895	DBCS/DIOSS BCS INCOMING PRIMARY	7,028	11	55,881,513
11	In BCS Secondary (1 Pass)	486	DBCS-EC EC MODE-INCOMING SECONDARY	47,416	11	18,257
11	In BCS Secondary (1 Pass)	866	BCS ON OCR-INCOMING SECONDARY	9,373	11	2,560,782
11	In BCS Secondary (1 Pass)	867	BCS ON OCR-BOX SECTION	16,616	11	38,398
11	In BCS Secondary (1 Pass)	876	MPBCS-INCOMING SECONDARY	5,660	11	29,274,566
11	In BCS Secondary (1 Pass)	877	MPBCS-BOX SECTION	8,870	11	2,133,586
11	In BCS Secondary (1 Pass)	896	DBCS/DIOSS BCS I/C SECONDARY	7,055	11	70,060,956
11	In BCS Secondary (1 Pass)	897	DBCS/DIOSS BCS BOX SECTION	13,134	11	8,885,554
11	In BCS Secondary (1 Pass)	909	CSBCS-INCOMING SECONDARY	482,333	11	341
12	In BCS Secondary (2 Pass)	868	BCS ON OCR-SECTOR/SEGMENT 1ST PASS	80,910	11	253
12	In BCS Secondary (2 Pass)	869	BCS ON OCR-SECTOR/SEGMENT 2ND PASS	1,694	11	11,776
12	In BCS Secondary (2 Pass)	878	MPBCS-SECTOR/SEGMENT 1ST PASS	9,175	11	1,860,990
12	In BCS Secondary (2 Pass)	879	MPBCS-SECTOR/SEGMENT 2ND PASS	15,340	11	840,543
12	In BCS Secondary (2 Pass)	898	DBCS/DIOSS BCS SECT/SEGM 1ST PASS	9,888	11	5,777,478
12	In BCS Secondary (2 Pass)	899	DBCS/DIOSS BCS SECT/SEGM 2ND PASS	15,972	11	2,016,622
12	In BCS Secondary (2 Pass)	914	MPBCS-DELIV POINT SEQ 1ST PASS	9,149	11	1,445,204
12	In BCS Secondary (2 Pass)	915	MPBCS-DELIV POINT SEQ 2ND PASS	16,701	11	590,574
12	In BCS Secondary (2 Pass)	916	BCS-OSS-DELIV POINT SEQ 1ST PASS	15,514	11	83,315
12	In BCS Secondary (2 Pass)	917	BCS-OSS DELIV POINT SEQ 2ND PASS	23,233	11	51,028
12	In BCS Secondary (2 Pass)	918	DBCS/DIOSS BCS DPS, 1ST PASS	6,341	11	506,474,162
12	In BCS Secondary (2 Pass)	919	DBCS/DIOSS BCS DPS, 2ND PASS	18,946	11	149,234,829
12	In BCS Secondary (2 Pass)	925	DBCS/DIOSS-OSS-DELIV P SEQ 1ST PASS	990	11	838,469
12	In BCS Secondary (2 Pass)	926	DBCS/DIOSS-OSS-DELIV P SEQ 2ND PASS	15,860	11	51,033
13	In BCS Secondary (3 Pass)	911	CSBCS-DELIVERY POINT SEQUENCE (DPS)	18,279	11	259,688

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Group	Group Name	Operation	Operation Name	TPF/Hour	LDC	Est. Cost ($)
14	Manual Out Primary	030	MANUAL LTR-OUTGOING PRIMARY	435	14	321,902,946
15	Manual Out Secondary	040	MANUAL LTR-OUTGOING SECONDARY	635	14	54,261,981
16	Manual ADC (in MMP)	043	MANUAL LTR-STATE DISTRIBUTION	535	14	91,665,059
16	Manual ADC (in MMP)	045	MANUAL LTR-BULK BUSINESS	766	14	16,516,766
17	Manual In SCF/Primary	044	MANUAL LTR-SCF DISTRIBUTION	681	14	138,508,993
17	Manual In SCF/Primary	150	MANUAL LTR-INCOMING PRIMARY	495	14	95,751,823
18	Manual In Secondary (MODS Sites)	160	MANUAL LTR-INCOMING SECONDARY	639	14	144,520,236
18	Manual In Secondary (MODS Sites)	168	MANUAL LTR-PRIMARY BOX	325	14	60,017,385
18	Manual In Secondary (MODS Sites)	169	MANUAL LTR-SECONDARY BOX	546	14	32,114,619

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To Interrogatories of American Bankers Association and National Association of Presort
Mailers
Redirected from Witness Abdirahman

ABA&NAPM/USPS-T21-2.

　　　Please refer to the library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the
sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Outgoing ISS," the
variability factor is given to be 0.780. Please indicate what specific activities you consider
to be non-variability factors accounting for the 0.220 (1-0.780).

Response:

The question seems to assume incorrectly that the variability factors reported in my direct

testimony (USPS-T-12) and used by witness Abdirahman are obtained from the partition of

specific activities within each cost pool into those that are deemed 100 percent volume-

variable and those that are deemed 100 percent non-volume-variable. In fact, the volume-

variability factors, including the one referenced by this question, are econometric estimates

of cost pool-level variabilities. That is, they are empirical estimates, obtained by the

application of regression and similar statistical methods to regression samples of cost pool-

level MODS data, of the percentage change in labor hours utilized within a given cost pool

for a given percentage change in piece handlings in that cost pool. Please see USPS-T-12

at 3-5, 42-44.

For additional discussion of operational factors underlying the econometric variability

estimates, please see witness Kingsley's testimony from Docket No. R2001-1, USPS-T-39

at 28-30 and 34-38; see also witness Degen's testimony from Docket No. R2000-1, USPS-

T-16 at 32-51 and 52-54.

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ABA&NAPM/USPS-T21-3.

Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Incoming ISS," the variability factor is given to be 0.770 (sic). Please indicate what specific activities you consider to be non-variability factors accounting for the 0.220 (1-0.780).

Response:

Please note that the correct factor is 0.780. Please see the response to

ABA&NAPM/USPS-T21-2.

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ABA&NAPM/USPS-T21-4.
        Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational groups "Outgoing ISS" and "Incoming ISS" the variability factors are given to be both 0.856 & 0.881, respectively. Please explain why these two operation groups have different variability factor, whereas they are the same for "Outgoing ISS" and "Incoming ISS" which are both 0.780.

Response:

The "Outgoing ISS" and "Incoming ISS" operations both use the variability factor for the

OCR cost pool, which contains most of the associated workhours. The OSS operation

groups include MPBCS/OSS and DBCS/OSS operations, which have different estimated

cost pool variabilities. The cited variability factors for the OSS groups are averages

reflecting the relative proportions MPBCS and DBCS OSS processing.

ABA&NAPM/USPS-T21-5.

  Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Outgoing OSS," the variability factor is given to be 0.856. Please indicate what specific activities you consider to be non-variability factors accounting for the 0.144 (1-0.856).

Response:

Please see the responses to ABA&NAPM/USPS-T21-2 and ABA&NAPM/USPS-T21-4.

ABA&NAPM/USPS-T21-6.

Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Outgoing OSS," the variability factor is given to be 0.856, whereas, the comparable number for R2001-1 was 0.896. Please indicate what specific factors have resulted for the drop in variability factor for this operation.

Response:

The variability factor in LR-K-48 reflects updated variability factors for the BCS/ and

BCS/DBCS cost pools, and also the FY 2004 processing mix between MPBCS/OSS and

DBCS/OSS operations. Please see also the response to ABA&NAPM/USPS-T21-4.

ABA&NAPM/USPS-T21-7.

Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Incoming OSS," the variability factor is given to be 0.881. Please indicate what specific activities you consider to be non-variability factors accounting for the 0.119 (1-0.881).

Response:

Please see the responses to ABA&NAPM/USPS-T21-2 and ABA&NAPM/USPS-T21-4.

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ABA&NAPM/USPS-T21-8.

Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Incoming OSS," the variability factor is given to be 0.881, whereas, the comparable number for R2001-1 was 0.926. Please indicate what specific factors have resulted for the drop in variability factor for this operation.

Response:

Please see the response to ABA&NAPM/USPS-T21-6.

ABA&NAPM/USPS-T21-9.

Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. Please explain why the variability factors for OSS operations are larger than ISS operations.

Response:

The higher OSS variability factors reflect higher estimated variabilities for BCS (OSS) cost

pools, compared to the OCR (ISS) cost pool. Please see also the responses to

ABA&NAPM/USPS-T21-2 and ABA&NAPM/USPS-T21-4.

ABA&NAPM/USPS-T21-10.

Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Outgoing BCS Primary," the variability factor is given to be 0.851. Please indicate what specific activities you consider to be non-variability factors accounting for the 0.149 (1-0.851).

Response:

Please see the responses to ABA&NAPM/USPS-T21-2 and ABA&NAPM/USPS-T21-4.

ABA&NAPM/USPS-T21-11.

Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Outgoing BCS Secondary," the variability factor is given to be 0.857. Please indicate what specific activities you consider to be non-variability factors accounting for the 0.143 (1-0.857).

Response:

Please see the responses to ABA&NAPM/USPS-T21-2 and ABA&NAPM/USPS-T21-4.

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ABA&NAPM/USPS-T21-12.

      Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Incoming BCS MMP," the variability factor is given to be 0.857. Please indicate what specific activities you consider to be non-variability factors accounting for the 0.143 (1-0.857).

Response:

Please see the responses to ABA&NAPM/USPS-T21-2 and ABA&NAPM/USPS-T21-4.

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ABA&NAPM/USPS-T21-13.

　　　　Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Incoming BCS SCF/Primary," the variability factor is given to be 0.863. Please indicate what specific activities you consider to be non-variability factors accounting for the 0.137 (1-0.863).

Response:

Please see the responses to ABA&NAPM/USPS-T21-2 and ABA&NAPM/USPS-T21-4.

ABA&NAPM/USPS-T21-14.

Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Incoming BCS Secondary Carrier Route," the variability factor is given to be 0.863. Please indicate what specific activities you consider to be non-variability factors accounting for the 0.137 (1-0.863).

Response:

Please see the responses to ABA&NAPM/USPS-T21-2 and ABA&NAPM/USPS-T21-4.

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ABA&NAPM/USPS-T21-15.

        Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the
sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Incoming BCS
Secondary DPS (2 Pass)" and "Incoming CSBSC [sic] Secondary DPS (3 Pass)," the
variability factor are both given to be 0.850. Please indicate what specific activities you
consider to be non-variability factors accounting for the 0.150 (1-0.850). Furthermore,
explain why these two operation groups have the same values.

Response:

The "Incoming BCS Seondary DPS (2 Pass)" and "Incoming CSBCS Secondary DPS (3

Pass)" operation groups have a common variability because most of the workhours are

associated with the same cost pool (BCS/DBCS) for variability estimation purposes. Please

also see the response to ABA&NAPM/USPS-T21-2.

ABA&NAPM/USPS-T21-16.

      Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Manual Outgoing Primary", "Manual Outgoing Secondary," "Manual ADC," "Manual Incoming SCF/Primary," and "Manual Incoming Secondary, MODS Sites," are all given to be 0.870. Please indicate what specific activities you consider to be non-variability factors accounting for the 0.130 (1-0.870). Furthermore, explain why all these operations have the same values.

Response:

The listed operation groups have a common variability because they belong to the same

cost pool (MANL) for variability estimation purposes. Please also see the response to

ABA&NAPM/USPS-T21-2.

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To Interrogatories of American Bankers Association and National Association of Presort
Mailers
Redirected from Witness Abdirahman

ABA&NAPM/USPS-T21-17.

Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Manual Outgoing Primary", "Manual Outgoing Secondary," "Manual ADC," "Manual Incoming SCF/Primary," and "Manual Incoming Secondary, MODS Sites," are all given to be 0.870, whereas the same they were only 580 in R200-1 (sic). Please indicate what specific factors resulted in such an increase in the variability factor for these operations.

Response:

The increase in the estimated variability for MANL is primarily due to the implementation of

a limited information maximum likelihood (LIML) estimator for the MANL cost pool. Please

see USPS-T-12 at 26-27, 36-38, and 57-59.

ABA&NAPM/USPS-T21-18.

      Please refer to the Library reference USPS-LR-K-48, file LR-K-48FCLTRS.xls, the sheet "PRODUCTIVITY," column [2]. For the MODS operational group "Manual Incoming Secondary Non MODS Sites," the variability factor is given to be 1.000. Please explain why the variability factor for this operation is 100%. Furthermore, explain why for this manual operation the variability factor is greatly larger than for the ones stated in question ABA&NAPM/USPS-T21-17.

Response:

It is my understanding that the special study for the "Manual Incoming Secondary Non-

MODS Sites" productivity was designed to produce directly a letter casing marginal

productivity. Thus, no further variability adjustment is warranted within witness

Abdirahman's spreadsheet—i.e., using a variability factor of 1.000 leaves the productivity

from the special study unmodified.

CERTIFICATE OF SERVICE

       I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

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Eric P. Koetting

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260–1137
(202) 268-2992, FAX: -5402
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