

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

POSTAL RATE AND FEE CHANGES, 2005)

Docket No. R2005-1

VALPAK DIRECT MARKETING SYSTEMS, INC. AND
VALPAK DEALERS' ASSOCIATION, INC.
SECOND INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS TO UNITED STATES POSTAL SERVICE
WITNESS JEFFERY W. LEWIS (VP/USPS-T30-21-31)
(May 19, 2005)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc. hereby submit interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted,

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May 19, 2005

VP/USPS-T30-21.

- a. In Base Year 2004, what was the average number of stops, or possible deliveries, for city carrier (i) foot routes, (ii) park and loop routes, and (iii) curblin routes?
- b. Your testimony at page 4 states that, “[b]ecause automation reduced carrier in-office time, routes serve increasing numbers of deliveries and cover more delivery territory.” (USPS-T-30, p. 4, ll. 13-15.) Please indicate the extent to which the average number of deliveries by city carriers has changed since 1993, when “the Postal Service introduced delivery point sequencing (DPS) of letter shaped mail on automated mail processing equipment.” (USPS-T-30, p. 2, ll. 10-11.) If the percentage change in the average number of deliveries differs according to type of route, please show separately each route type.

VP/USPS-T30-22.

- a. In Base Year 2004, what was the average number of pieces delivered each day by city carriers on (i) foot routes, (ii) park and loop routes, and (iii) curblin routes?
- b. Your testimony at page 4 states that “[w]ith increasing deliveries per route, carriers must transport and deliver more mail during the course of the day.” (USPS-T-30, p. 4, ll. 15-16.) Please indicate the extent to which the volume of mail delivered by city carriers has changed since 1993, when “the Postal Service

introduced delivery point sequencing (DPS) of letter shaped mail on automated mail processing equipment.” (USPS-T-30, p. 2, ll. 10-11.)

VP/USPS-T30-23.

- a. In Base Year 2004, what was the average weight of the pieces delivered each day by city carriers on (i) foot routes, (ii) park and loop routes, and (iii) curblines routes?
- b. Your testimony at page 4 states that “[a]dditionally, today’s mail is bulkier than before, because customers receive more flat and package-shaped mail than they did in the 1980s.” (USPS-T-30, p. 4, ll. 16-18.) Please indicate the extent to which the weight of mail delivered by city carriers has changed since 1990.

VP/USPS-T30-24.

In section 2.2 of your testimony (USPS-T-30, pp. 2-3), you discuss the practice of carriers taking mailer-sequenced mail directly to the street without in-office preparation. In addition to ECR and Nonprofit ECR Saturation mail, what other categories of sequenced mail do carriers take directly to the street?

VP/USPS-T30-25.

The billing determinants for Base Year 2004 for ECR and Nonprofit ECR (“NECR”) Saturation mail show the following volumes (in millions):

	ECR Commercial	NECR Nonprofit	Total
Letters	2,783	661	3,444
Nonletters	<u>9,880</u>	<u>456</u>	<u>10,336</u>
Total	12,663	1,117	13,780

- a. Of the total volume of 3,444 million Saturation letters, what was the volume or percentage of such letters that was taken directly to the street by city carriers in Base Year 2004?
- b. Of the total volume of 10,336 million Saturation nonletters, what was the volume or percentage of such nonletters taken directly to the street by city carriers in Base Year 2004?

VP/USPS-T30-26.

- a. Under what circumstances would carriers case unaddressed flats consisting of a host piece, sometime referred to as an “outer piece” or “wrap,” plus several accompanying loose inserts within the host piece?
- b. If (or when) carriers were to case unaddressed flats, would they also case the accompanying Detached Address Label (“DAL”), or would that be redundant?
- c. Please describe all circumstances under which carriers would case Standard ECR “wraps,” rather than (or in addition to) the accompanying DAL.
- d. To your knowledge, how often does it occur that carriers actually case the “wraps” instead of (or in addition to) the DAL?

VP/USPS-T30-27.

- a. Does the Postal Service have any data or studies on the rate at which carriers are able to case “wraps” in vertical flat cases? If so, please provide.
- b. Does the Postal Service have any data or studies that indicate whether carriers can case “wraps” at the same rate as Standard ECR catalogs of similar weight and dimensions? If so, please provide.
- c. Does the Postal Service have any data or studies that indicate whether carriers can case “wraps” at the same rate as Periodicals of similar weight and dimensions? If so, please provide.
- d. Does the Postal Service have any data or studies that indicate whether carriers can case “wraps” at the same rate as Bound Printed Matter (“BPM”) pieces of similar weight and dimensions? If so, please provide.

VP/USPS-T30-28.

- a. For all classes of mail, what types of mailings must utilize DALs?
- b.
 - (i) In addition to whatever mailings you identified in response to preceding part a, for all classes of mail, what types of mailings may include DALs as an option?
 - (ii) Does the Postal Service allow letter-shaped mail to be accompanied by DALs? If not, why not?
 - (iii) Does the Postal Service allow enveloped flats to be accompanied by DALs? If not, why not?

- (iv) Does the Postal Service allow unaddressed catalogs to be accompanied by DALs? If not, why not?

VP/USPS-T30-29.

- a. Please describe how DALs and associated mailpieces are handled, cased, carried, and delivered on rural carrier routes.
- b. Please describe how rural carriers are compensated for handling and delivering DALs and accompanying unaddressed flats and parcels. As part of your answer, please indicate whether they are compensated for one or two pieces.
- c. Please describe how rural carriers are compensated for handling and delivering addressed ECR flats without DALs.
- d. Is the compensation that rural carriers receive for handling addressed flats without DALs equal to the compensation they receive for handling unaddressed flats with DALs? If not, please explain all differences.
- e. For rural carriers that use their own vehicles, how many separate “bundles” can the carrier accommodate within arm’s reach in a typical vehicle used by rural carriers?

VP/USPS-T30-30.

Please indicate whether city carriers case all or some DALs on all non-curblines portions of their routes under the following facts:

- a. If the portion of a carrier's route that is curblines is 75 percent, would the carrier **not** sort the DALs for the curblines portion of the route?
- b. If the portion of a carrier's route that is curblines is 50 percent, would the carrier **not** sort the DALs for the curblines portion of the route?
- c. If the portion of a carrier's route that is curblines is 25 percent, would the carrier **not** sort the DALs for the curblines portion of the route?
- d. Please describe in detail all circumstances when carriers would **not** case DALs in the office.

VP/USPS-T30-31.

Please assume that, on a particular day, a Destination Delivery Unit ("DDU") has no Standard ECR Saturation mailings of flats, but it has received one Standard ECR Saturation letter mailing, entered at the DDU, for delivery that day (or the next).

- a. If the DDU is among those that receive mail delivery point sequenced ("DPS'd") from the processing and distribution center ("P&DC"), what is the likelihood that carriers on **foot routes** or **park and loop routes** will either (i) take the Saturation letter mailing directly to their routes as a "third" bundle; or (ii) sort the Saturation letters manually in the office; or (iii) send the Saturation letter mailing back to the P&DC to be DPS'd? Please explain your response and state whether the Postal Service has a relevant policy or practice.
- b. If the DDU is **not** one that receives mail in delivery point sequence ("DPS") from the P&DC, and does **not** have a Carrier Sequence Bar Code Sorter

(“CSBCS”), what is the likelihood that carriers on **foot routes** or **park and loop routes** will either (i) take the Saturation letter mailing directly to their routes as a “third” bundle, or (ii) sort the Saturation letters manually in the office? Please explain your response and state whether the Postal Service has a relevant policy or practice.