

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

RESPONSE OF POSTAL SERVICE WITNESS KELLEY
TO INTERROGATORY OF MMA (MMA/USPS-T29-5),
REDIRECTED FROM WITNESS MCCRERY
(May 26, 2005)

The United States Postal Service hereby provides the response of witness Kelley to the following interrogatory of MMA, filed on May 12, 2005, and redirected from witness McCrery: MMA/USPS-T29-5.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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May 26, 2005

Response of Postal Service Witness John Kelley to Interrogatories Posed by
Major Mailers Association, Redirected from Witness McCrery

MMA/USPS-T29-5

In Interrogatory MMA/USPS-T16-5C, USPS witness Kelly (**sic**) was asked about the delivery costs that would occur for two non-DPSed machinable letters that are identical, except one letter is prebarcoded and presorted whereas the other is not prebarcoded or presorted. In response to that interrogatory, USPS witness Kelly stated, in part:

Assuming that both letters need to be cased in order to be delivered, the in-office unit costs for the presorted and prebarcoded letter should be lower since the casing rate, on average, for the prebarcoded and presorted letter is expected to be higher than for the piece that is not prebarcoded nor presorted.

Please explain all reasons why the casing rate for the prebarcoded and presorted letter is expected to be higher than for the piece that is “not prebarcoded nor presorted.” In addition, please provide any studies or other information that support your explanation.

Response

My earlier response that the casing rate should be higher for presorted and prebarcoded letter pieces was based on intuition. I assumed that some subset of presorted letters, at times, will already be in walk sequence, which seems highly unlikely for single piece letters that need to be cased. Logically, mail in sequence should be cased faster than mail sorted randomly throughout the route. Furthermore, single piece rated letters are much more likely to be handwritten and consequently more difficult to read. These two factors lead me to the conclusion that, on average, presorted letters should be cased at a higher rate than single piece letters.

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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