

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

OBJECTION OF THE UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGATORIES (VP/USPS-14 - 18)
(August 29, 2005)

To the extent necessary to do so, the United States Postal Service hereby objects to ValPak interrogatories VP/USPS-14-17, filed on August 18, and VP/USPS-18, filed on August 23, 2005. These interrogatories were filed long after the established deadline for discovery by intervenors against the Postal Service for purposes of preparing their direct testimony, and are thus untimely. (Therefore, although the questions are attached to this document, their content is irrelevant.) The Postal Service considers itself without obligation to respond in any way to such unauthorized questions, including obligation to respond by objection. Nonetheless, this pleading is being submitted to avoid any potential ambiguity that might arise if the Postal Service simply ignored the questions and the 14-day response period passed without comment.

Presiding Officer's Ruling No. R2005-1/11 (May 19, 2005) set June 10 and June 17 as the deadlines for general discovery against the Postal Service's direct case. That Ruling (at page 3) also extended limited discovery against the Postal Service until August 23, 2005, but "solely for the purpose of preparing testimony in rebuttal to the evidence presented by participants other than the Postal Service." ValPak is the only intervenor that filed its own direct case, and is thus the only party other than the Postal

Service that presented evidence. Of all the parties in this proceeding, ValPak stands alone as the only one that is not entitled to submit rebuttal testimony (it cannot rebut itself), and therefore cannot seek further discovery against the Postal Service, even ostensibly for purposes of preparing rebuttal testimony.

Therefore, to whatever extent deemed necessary, the Postal Service objects to VP/USPS-14 - 18 as untimely.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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August 29, 2005

VP/USPS-14.

USPS-LR-K-67, file CASING04_Revised.xls, sheet 'EstimatesofCased.Sat.Ltrs.Flts' shows in cell B13 a total FY04 Saturation Mail Letter-Route Casing Cost for flats of \$28,452,000.

- a. What is the total number of IOCS "handling mail" tallies that underlie the development of this cost?
- b. Aside from the tallies included in response to part a, did any other tallies contribute to this cost?
 - (i) If so, how many and how much of the \$28,452,000 costs was accounted for by these other tallies?
 - (ii) Since any other such tallies were not "handling mail," what activity was recorded for any other such tallies?
- c. Of the total number of "handling mail" tallies supplied in response to part a, how many indicated in response to IOCS question 22 that a single shape piece of mail was being handled? (See Handbook F-45, In-Office Cost System, pp. 12-8 to 12-11, which was provided in Docket No. R2000-1, in USPS-LR-I-14.) For any tallies that indicated something other than a single shape piece of mail was being handled, how many indicated "item," how many indicated "container," and how many indicated something else (please specify)?
- d. Of the total number of "handling mail" tallies indicating that a single shape piece of mail was being handled, as supplied in response to part b, regarding the IOCS query as to whether a DAL or a piece associated with a DAL was being handled, how many of those tallies indicated "Y" (*i.e.*, "yes")?

VP/USPS-15.

- a. Please assume that, at the time an IOCS tally is taken, a city carrier is collating two bundles of saturation flats into a single bundle (as described by witness Lewis (USPS-T-30) at Tr. 6/2431-32), which subsequently will be taken to the street as a single "extra" bundle.
 - (i) Would the cost of such tally be charged to saturation flats?
 - (ii) Would the cost associated with such tally be included among the cost of **casing** flats (*e.g.*, included in the \$28,452,000 identified in VP/USPS-14 above), or would it be recorded as some activity other than casing? If recorded as some other activity, please specify how it would be recorded.
- b. Do IOCS tallies distinguish between the activities of (i) casing and (ii) collating flats? If so, please explain how, and provide a reference to Handbook F-45 that explains how collating of flats is to be recorded when an IOCS tally is taken.

VP/USPS-16.

Please provide the total number of IOCS tallies recorded as "handling mail" for each of the following MODS cost pools: BCS, OCR, and BCS/DBCS.

- a. For each of the above MODS costs pools, please provide a breakdown of the "handling mail" tallies showing the following level of detail: (A) handling an individual class or subclass of mail (and for such single-subclass tallies, (i) the number handling a single piece of mail, and (ii) the number handling more than one piece of mail (such as a bundle, tray, etc.)), or (B) handling mixed mail,

etc.

b. If ECR saturation DALs are included among the mail when more than one piece is being handled at the above MODS cost pools, please indicate how they would be recorded by the IOCS tally.

VP/USPS-17.

If a DAL is inadvertently recorded as a “card” or as a “letter” on an IOCS tally, please indicate how the editing procedure finds the error and changes it to a “flat shape,” as described by the Postal Service in its response to a question to witness Smith (USPS-T-13) by Valpak at Tr. 7/2717. (See reference to USPS-LR-K-9, Appendix B, p. 137, cited in the Postal Service response filed on July 15, 2005, redirected from witness Smith.)

VP/USPS-18.

a. For FY 2004, please fill in the table below with the volume of ECR saturation letters, flats and parcels delivered by each mode of delivery shown, and, for each entry in the body of the table in columns 1-3, indicate where it can be found in USPS-LR-K-67 or, in the alternative, indicate how the entry is derived from USPS-LR-K-67. In column 1, please show only saturation letters, excluding all DALs. If any entry is not contained in, or derived from USPSLR-K-67, please provide a full explanation of the source.

	(1)	(2)	(3)	(4)
	ECR	ECR	ECR	
	Saturation	Saturation	Saturation	
	Letters	Flats	Parcels	TOTAL
Mode of delivery:				
City carriers				
Rural carriers				
Highway contract				
Carriers				
P.O. Box				
General delivery				
Other (please describe)	_____	_____	_____	_____
TOTAL				

b. If the total volumes shown for columns 1-3 in part a do not correspond to the total volumes for ECR saturation letters, flats and parcels shown in USPS-LRK-67, file LR-K-67_2nd.revised.xls, sheet ‘5.RPW,’ please reconcile all differences.

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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