

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

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS KELLEY
TO INTERROGATORIES OF GCA (GCA/USPS-T30-1 - 2)
(May 31, 2006)

The United States Postal Service hereby provides the response of witness Kelley to the following interrogatories of GCA, filed on May 17, 2006: GCA/USPS-T30-1 - 2.

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 31, 2006

**Response of Postal Service Witness John P. Kelley to
Interrogatories of the Greeting Card Association**

GCA/USPS-T30-1

Please refer to Table 1 in your prefiled testimony. Please explain how you have defined the terms "letter" and "flat" as you use them in developing Test Year unit delivery costs by shape for single-piece First Class Mail.

Response:

For purposes of my testimony, and the library reference I sponsor, USPS-LR-L-67, I do not attempt to define shape. Instead, I generally rely on the shape classification assigned to data by the four statistical systems that provide the inputs I use to derive unit delivery costs. The four systems are the following: 1) In-Office Cost System (IOCS) (witness Czigler – USPS-T-1); 2) City Carrier Cost System (CCCS) (witness Harahush – USPS-T-4); 3) Rural Carrier Cost System (witness Riddle – USPS-T-5); and 4) Origin Revenue Pieces and Weight System (ORPW) (witness Pafford – USPS-T-3). For single-piece First Class Mail, my analysis uses the shape information provided directly from each statistical system without modification. My understanding is that, in general, the basic distinctions between letter-size and flat-size pieces are reflected in the Domestic Mail Manual (updated May 11, 2006) sections 101.1.0 for letter-size mail, and 101.2.0 for flat-size mail.

As defined in the DMM, letter-size mail is 1) not less than 5 inches long, 3.5 inches high, and 0.007 inch thick. and 2) not more than 11.5 inches long, or more than 6.125 inches high, or more than 0.25 inch thick. Flat-size mail is 1) more than 11.5 inches long, or more than 6.125 inches high, or more than 0.25 inch thick, 2) not more than 15 inches long, or more than 12 inches high, or more than 0.75 inch thick, and 3) unwrapped, sleeved, wrapped, or enveloped. If you want more precise information on any variations from the DMM definitions

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employed within the different reporting systems, you would need to consult the documentation materials provided with regard to those systems.

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GCA/USPS-T30-2

In your analysis of Test Year unit delivery costs by shape, as reflected in Table 1, would a single-piece First-Class letter which (i) weighs one ounce or less, and (ii) is less than 11.5 in. by 6.125 in. by 0.25 in. thick, but (iii) has an aspect ratio less than 1:1.3 or greater than 1:2.5 be counted as a "letter" or as a "flat"? Please explain your answer fully.

Response:

Assuming that by (ii) you mean to describe a piece that does not exceed the upper limits of any of the dimensions within the letter-shape definition, my understanding is that the piece described would be counted as a letter in the four statistical systems (IOCS, CCCS, RCCS, and ORPW) that USPS-LR-L-67 uses to develop unit delivery costs.

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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