

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

POSTAL RATE AND FEE CHANGES, 2006)

Docket No. R2006-1

VALPAK DIRECT MARKETING SYSTEMS, INC. AND
VALPAK DEALERS' ASSOCIATION, INC.
SECOND INTERROGATORIES AND REQUESTS FOR
PRODUCTION OF DOCUMENTS TO UNITED STATES POSTAL SERVICE
WITNESS JOHN P. KELLEY (VP/USPS-T30-5-10)
(JUNE 2, 2006)

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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VP/USPS-T30-5.

- a. Of the total number of DALs which you estimate to have been entered during Base Year 2005, what was the volume or percentage of DALs delivered by city carriers?
- b. What was the volume or percentage of DALs delivered by rural and contract carriers?
- c. What was the volume or percentage of DALs delivered to post office boxes?
- d. If the individual percentages you provide in response to preceding part a through part c do not add to 100 percent, please explain what accounts for the difference.
- e. Please explain how you obtained the data for each of your responses to preceding part a through part c. That is, if such data on DALs now are collected as an integral part of one of the Postal Service's ongoing sampling or statistical collection systems, please indicate the system where the data can be found. Alternatively, if the data supplied in your above responses are the result of an ad hoc estimating process, please explain how each estimate was derived.

VP/USPS-T30-6.

For the total volume of DALs delivered by city carriers, as provided in response to part a of VP/USPS-T30-5, please indicate:

- a. The volume or percentage estimated to have been cased.

- b. The volume or percentage estimated to have been taken directly to the street as an extra bundle.
- c. The volume or percentage estimated to have been DPS'd.
- d. Please explain how the data for each of your responses to the above part a through part c were derived. That is, if any of the requested data now are collected as an integral part of one of the Postal Service's ongoing sampling or statistical collection systems, please indicate the system where the data can be found. Alternatively, if any of your responses to the above part a through part c are the result of an ad hoc estimating process, please explain how the estimate was derived.

VP/USPS-T30-7.

- a. In Docket No. R90-1, Postal Service witness Shipe provided data on the rate at which city carriers could case Saturation letters and flats manually. Since witness Shipe's data were collected before widespread deployment of vertical flats cases, why are those data considered representative of casing rates when city carriers use vertical flats cases?
- b. Since Docket No. R90-1, has the Postal Service collected any more recent data on the rate at which city carriers case Saturation letters and flats in vertical flats cases? If so, please provide the most recent data, and indicate the source.

- c. Of the total time that city carriers are estimated to spend casing mail, what percent of the time is spent casing mail in vertical flats cases, and what percent is spent casing mail in the traditional letter and flats cases?

VP/USPS-T30-8.

The testimony by witness Coombs (USPS-T-44) notes at page 13, lines 2-3, that “[h]aving to case the host flat pieces would be logistically more challenging than simply casing the letter-shaped DAL cards.”

- a. Is casing of host flat pieces logistically more challenging than casing ordinary flats, such as enveloped flats or catalogs? In your response, please assume that weight of the host flat pieces and other flats is equal.
- b. Does the Postal Service have any empirical data which distinguish the rate at which city carriers case (i) addressed Saturation flats, and (ii) unaddressed Saturation covers, or wraps, that are accompanied by DALs? If so, please provide the most authoritative data available on such casing rates.

VP/USPS-T30-9.

- a. In this docket, what is the assumed rate at which city carriers case DALs?
- b. In this docket, what is the assumed rate at which city carriers case ECR letters?
- c. In this docket, what is the assumed rate at which city carriers case ordinary addressed ECR flats?

- d. In this docket, what is the assumed rate at which city carriers case unaddressed ECR covers, or wraps?
- e. In this docket, what is the assumed rate at which city carriers collate ECR flats?
- f. After using IOCS tallies to estimate the total hours that city carriers spent casing or collating items which were recorded on those tallies as ECR flats, how do you estimate the total hours spent (i) casing DALs, and (ii) casing or collating flats?

VP/USPS-T30-10.

- a. What is the estimated city carrier street cost to deliver a cased flat?
- b. What is the estimated city carrier street cost to deliver a sequenced flat?
- c. What is the estimated city carrier street cost to deliver a DAL that is part of a bundle of DPS'd letters?
- d. What is the estimated city carrier cost street cost to deliver a DAL that has been cased in a vertical flats case with other flats?
- e. What is the estimated city carrier street cost to deliver a DAL that has not been cased or DPS'd, but instead has been taken directly to the street as part of a separate, sequenced bundle?
- f. What is the estimated city carrier street cost to deliver both a DAL and sequenced cover, or wrap? If the answer depends on how the DAL was prepared, or handled, please provide separate responses for each possibility.