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

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97–1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS NIETO TO INTERROGATORIES OF
UNITED PARCEL SERVICE
(UPS/USPS–T2—27–28(A), 28(B)(ii), 28(C), 29–32(B), 33–49)

The United States Postal Service hereby provides responses of witness Nieto to the following interrogatories of United Parcel Service: UPS/USPS–T2—27–28(a), 28(b)(ii), 28(c), 29–32(b), 33–49, filed on September 17, 1997. Objections to interrogatories UPS/USPS–T2—28(b)(i), (iii)-(iv), and -32(c) were filed on September 29, 1997.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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RESPONSE OF POSTAL SERVICE WITNESS NIETO TO INTERROGATORIES
OF THE UNITED PARCEL SERVICE

UPS/USPS-T2-27. Please refer to LR-H-82. Provide a detailed description of the facility type, classes of mail processed, and the activities performed for IMPs.

Response to UPS/USPS-T2-27:

'IMP' is short for 'IMPC', or International Mail Processing Center. International Mail Processing Centers are typically a portion of or an annex to an AMC/AMF (Air Mail Center / Air Mail Facility). International Mail Processing Centers process International Mail. Regarding the frequency table of NASS facility types contained in the output of program TRACS.DESIGN(HWY1), TRACS highway sampling is stratified into three facility types: 'BMC', 'SCF', and 'OTH' (for other). 'IMP' facilities fall into the 'other' category and are treated as such in TRACS.

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UPS/USPS-T2-28. Please refer to LR-H-82, DMM section E652, Exhibit 1.5, and line 17, page 2, of your testimony.

(a) Provide a detailed definition of miles traveled on line 17, page 2, of your testimony.

(b) For each Facility - Parent Post Office pair shown in Exhibit 1.5 in DMM section E652, provide:

(i) The miles traveled as defined in (a) above for mail that was loaded at the BMC/ASF (Facility) and unloaded at the Parent Post office for each pair shown;

(ii) The miles that would be used for TRACS samples for calculating cubic-foot-miles for mail loaded and unloaded between these facility pairs;

(iii) The highway miles between these facility pairs;

(iv) The Great Circle Distance (in miles) between these facility pairs.

(c) Please explain any differences in miles for each facility pair as provided in (b)(i), (b)(ii) and (b)(iii) above.

(d) For each Facility and Parent Office shown in Exhibit 1.5 in DMM section E652, provide the name, 3 or 5 digit NASS facility code, and 3 digit alpha type.

Response to UPS/USPS-T2-28:

(a) The miles traveled as described in my testimony refer to the actual highway miles traveled by the sampled contract route-trip, rather than Great Circle Distance (GCD) miles.

(b) (i) Objection filed September 29, 1997.

(ii) TRACS uses the actual highway miles between any facility pair which is sampled in order to calculate cubic-foot-miles. These miles can be found in LR-H-84, in the files:

TRACSSMN.Z.HIGHWAY.MILES.PQ196.TEXT
TRACSSMN.Z.HIGHWAY.MILES.PQ296.TEXT
TRACSSMN.Z.HIGHWAY.MILES.PQ396.TEXT
TRACSSMN.Z.HIGHWAY.MILES.PQ496.TEXT

Please note that the origin and destination information has been encrypted in order to ensure that these match up with the origin and destination information on the survey data so that the programs run correctly.

(iii) Objection filed September 29, 1997.

(iv) Objection filed September 29, 1997.

(c) The difference between actual highway miles and GCD miles reflects the fact that GCD miles reflect the minimum distance between two points (essentially, a curved line) and not the actual route which a vehicle must follow to reach a facility.

(d) Objection filed September 29, 1997.

UPS/USPS-T2-29. Please refer to LR-H-82, pages 5 and 11.

(a) Are there TRACS sample segments where the calculation of GCD between origin (OCODE) and destination (DCODE) is:

(i) 0?
(ii) Less than 1?

Please explain any no answer.

(b) Please describe the process/estimation procedures for determining DIST for a sample segment, and provide actual examples when

(i) GCD = 0
(ii) GCD = <1
(iii) A DIST value other then the calculated GCD is used.

Response to UPS/USPS-T2-29:

a) (i) Yes. When the same latitude and longitude is listed for two facilities (i.e., they are in such close geographic proximity that there is no measurable difference in their degrees and minutes), the trigonometrically calculated GCD miles will equal zero. All facilities that are co-located (e.g., the Southern Maryland/Washington D.C. BMC and the Southern Maryland GMF) will show a trigonometrically calculated GCD of zero. Most facility pairs within the same metropolitan area will also have a trigonometrically calculated GCD of zero, since facilities within a metropolitan area usually are assigned the same latitude and longitude coordinates in the Postal Service's databases. Note that in the TRACS highway mode, GCD miles are only used in sample selection; actual highway miles are used in the expansion process. Furthermore, in the Intra-SCF mode, which includes most highly localized movements, miles are not used at all.

(ii) No. I found no cases of observations with GCD miles less than 1, other than those which were zero, as discussed in part (i).

b) (i) Please note that this response refers only to the calculation of DIST in the sample selection programs. Actual highway miles are use in the expansion

process. If the trigonometrically calculated great circle distance between two facilities is zero, DIST is set to 26 miles, the average distance between local facilities.

(ii) Not applicable.

(iii) Please see above response to UPS/USPS-T2-29 (a) (i).

UPS/USPS-T2-30. Please refer to LR-H-82, part 4, page 8. Please confirm that the PERCONT variable in the data file TRACSSSMN.Z.HIGHWAY.PQ*96.SURVEY.TEXT, which is described as Percentage of container filled with items of same item type, contains percents expressed as whole numbers. For example, if a container was filled with 50% of items of the same item type, the variable for that observation would contain 50.

Response to UPS/USPS-T2-30:

Confirmed.

UPS/USPS-T2-31. Please refer to LR-H-82, part 4, pages 152-199, and to the SAS program code line 278 at page 164 for PQ 1 FY96, the SAS program code line 278 on page 174 at PQ 2 FY96, the SAS program code line 278 on page 184 at PQ 3 FY96, and the SAS program code line 238 at page 194 at PQ 4 FY96.

(a) Please confirm that the purpose of the SAS code lines referenced above is to set the value of the CUFT variable equal to the CUFT variable divided by the TOTCUFT variable multiplied by the cubic feet of the container filled with items of same item type.

(b) Please confirm that the SAS code referenced above calculates the cubic feet of the container filled with items of same item type by multiplying the PERCONT and CONTCUFT variables.

(c) Please confirm that multiplying the PERCONT and CONTCUFT variables does not equal the cubic feet of the container filled with items of same item type because the PERCONT variable expresses percents as whole numbers rather than decimals.

(d) Please confirm that multiplying the PERCONT and CONTCUFT variables and dividing by 100 is the correct calculation of cubic feet of the container filled with items of same item type.

Response to UPS/USPS-T2-31:

a) Not confirmed. The purpose of the SAS code lines referenced above is to weight the cubic feet of the mailcodes found within an item based upon the portion of the container filled with items of the same item type.

b) Not confirmed. The SAS code referenced above calculates the weighted cubic feet by multiplying PERCONT and CONTCUFT.

c) Confirmed. Please see explanation following confirmation of UPS/USPS-T2-31 (d).

d) Confirmed with clarification. For most containers, relative proportions are maintained and all cubic footages are normalized to add up to the size of the container, and it is not incorrect to multiply by a whole percent rather than a decimal percent. This normalization occurs as follows in line 295:

CUFT = (CUFT / SMCONTCF) * CONTCUFT where CONTCUFT is the cubic feet of the container.

However, it has been brought to our attention recently that there are unanticipated instances when a data collection technician records the usage of a container for some item types as a percentage of the container and for some as the number of items within the same container. In these rare cases, the correction is required. Please refer to LR-H-288 for the distribution keys for PQ1 recomputed with the correction. Please refer also to my response to FGFSA/USPS-T2-52.

UPS/USPS-T2-32. Please refer to page 4 of LR-H-82, and to the National Air and Surface System (NASS) Report Users Guide (Handbook PO-503) dated 10/3/83.

(a) Please confirm that the file LAXSTN.PS272D13 (a temporary file which contains all NASS planned route records available as of a certain date) was created for each Postal Quarter in 1996. If not confirmed, please explain.

(b) For what dates were these four files created?

(c) Please provide the following reports in hard copy and in machine-readable format with effective dates as requested in (b) above, for all transaction codes:

(i) LAT274P2 (Surface Master)

(a) for all AMC/AMFs

(b) for all BMCs

(c) for all PLDs

(ii) LAT277P1 (Intra-Area Transportation Report)

(a) for all AMC/AMFs

(b) for all BMCs

(c) for all PLDs

(iii) LAT420P1 (Transportation Master by Key with Dispatch Hooks) for all origin-destination pairs where either is an AMC/AMF

(iv) LAT421P1 (Transportation Master by Key without Dispatch Hooks) for all origin-destination pairs where either is an AMC/AMF

(v) LAT488P1 (Airport Transportation Requirements) for all AMC/AMFs

(vi) LAT500P1 (Surface Transportation Master List) for the area of administrative responsibility that includes Chicago, IL

(a) If any of these reports (as identified in the NASS Report Users Guide) no longer exists, please identify and provide the information that the report would have provided.

Response to USPS/USPS-T2-32:

a) Confirmed, with clarification. The file LAXSTN.PS272D13 represents only a snapshot of NASS planned route records from which the sample was drawn for each PQ of FY 96.

b)

PQ	Date *
1	8/14/95
2	11/7/95
3	1/30/96
4	4/22/96

* Date up to which changes have been included in data

c) Objection filed September 29, 1997.

UPS/USPS-T2-33. Please refer to LR-H-78, at page 11, identifying TRACS mailcodes.

(a) Confirm that mailcode LL comprises all DBMC Parcel Post mail.

(b) In your opinion, how reliable are TRACS proportions for mailcode LL relative to Parcel Post mailcodes in total (mailcodes KK, LL, and P combined)? Please include in your answer a discussion of the reliability of identification of DBMC rated parcels as distinguished from other parcels at the different destination facilities.

Response to UPS/USPS-T2-33:

a) Not confirmed. Mailcode LL comprises all DBMC endorsed parcel post mail which was sampled in TRACS.

b) To the extent which these parcels have been properly endorsed, the identification of these parcels will be as reliable as any other parcels. However, combining the mailcodes KK, LL, and P results in a lower variance since the variance calculation for the combined mailcodes will reflect more samples.

UPS/USPS-T2-34. Please refer to LR-H-82, part 1, page 6 and to the data file ACR94.COSTCFM.FLAT.TEXT.

(a) Please provide a machine-readable copy of the data file ACR94.COSTCFM.FLAT.TEXT.

(b) Please describe the method used to calculate the COSTCFM variable.

(c) Does a cubic foot, defined with respect to the COSTCFM variable, represent a cubic foot of actual mail or a cubic foot of vehicle capacity? For example, if a truck with 2,400 cubic foot capacity contained 1,200 cubic feet of mail, would the COSTCFM variable be based upon 1,200 cubic feet of mail actually moved or 2,400 cubic feet of capacity of the vehicle?

Response to UPS/USPS-T2-34:

a) Please refer to LR-H-288, which contains this file on the accompanying floppy disk.

b) The COSTCFM variable for each is calculated as the annual cost of a highway contract divided by the annual CFMs of the contract.

c) CFMs are based on the minimum cubic capacities specified for the vehicles on the contract. In your example, the relevant number is the 2,400 cubic feet of capacity of the vehicle.

UPS/USPS-T2-35. In reference to the TRACS software TRACS.EXPAND.HIGHWAY.CNTL (HWY11), please explain the logic of the capacity utilization weighting factors applied to intra-SCF observations by facility category (FACCAT) at lines 144 to 147. Why is a similar adjustment not applied to the other highway account codes?

Response to UPS/USPS-T2-35:

Assuming you are referring to lines 33-83 in HWY11, the capacity utilization weighting factors calculation is simply the allocation of empty space to intra-SCF accounts. Empty space allocation is performed in HWY10 for all modes since the tests have not yet been separated into their respective accounts. For intra-SCF, the capacity utilization weighting factors overwrites the previous empty space allocation. The intra-SCF empty space is allocated differently because intra-SCF is a cubic-foot based distribution key rather than a cubic-foot mile based distribution key. The only difference in empty space allocation between intra-SCF and the other modes is that for intra-SCF, the average empty space by FACCAT is applied to the average percentage of unloaded mail for the FACCAT. The cost of the sampled cubic feet is multiplied by the expanded percentage (UNLOAD2) for the FACCAT prior to the aggregation of cubic feet by mailcode. For a description of the empty space allocation for the other modes of highway transportation, please refer to my response to FGFSA/USPS-T2-20.

UPS/USPS-T2-36. Please refer to the TRACS software TRACS.EXPAND. HIGHWAY.CNTL (HWY11).

(a) Please confirm that the costs for the observed movements of unloaded mail for a given account category (e.g., intra-SCF) and destination facility category (FACCAT, e.g. inbound SCF or BMC) are expanded to the sample frame of all transportation segments by account and distribution facility category including segments with zero capacity utilization or zero unloading of mail at the destination facility.

(b) Please confirm that this expansion is performed at the FACCAT level, prior to combining expanded costs by FACCAT to determine mailcode distribution keys at the account category level.

(c) Please explain any nonconfirmation, and the rationale for charging the costs of moves with zero capacity utilization or unloading of mail to the nonzero observations at the FACCAT level instead of at the level of all observations by account category.

Response to UPS/USPS-T2-36:

a) Not confirmed. Highway costs are calculated by applying cost-per-cubic-foot-mile to cubic-foot-miles of sampled mail. This calculated cost is weighted to reflect how many times the sampled route-trip occurred in the quarter (variable STRATWT) at the FACCAT level. Those sampled segments "with zero capacity utilization or zero unloading of mail at the destination facility" produce no sampled cubic feet of mail for inclusion in the development of the distribution key.

b) Confirmed only for the weighting factor described in part a) above. STRATWT is applied at the FACCAT level.

c) Not applicable; see response to part a) above.

UPS/USPS-T2-37. Please describe in detail how TRACS will affect (and be affected by) the PMPC network.

Response to UPS/USPS-T2-37:

TRACS will not in any way affect the PMPC network. It is my understanding that none of the PMPC network contract costs will be included under purchased transportation accounts and thus will not affect TRACS. However, to the extent that there is less Priority Mail traveling on purchased transportation routes, the TRACS distribution keys should reflect a lower proportion of Priority Mail.

UPS/USPS-T2-38. Please refer to LR-H-82, part 1, pages 1-56, TRACS.DESIGN(HWY1) (PQ 1 FY96 and PQ 4 FY96).

(a) Please confirm that this program calculates great circle distance (GCD) for the sample frame. If not confirmed, please explain.

(b) Please confirm that the program should be able to calculate GCD for all the observations in the sample frame. If not confirmed, please explain.

(c) Please explain and provide an example of how the program calculates GCD for NASS codes that are not listed in the LATLON.LOOKUP.TEXT data file.

(d) Please explain and provide an example of how the program calculates GCD for NASS codes that are not listed in the LATLON.LOOKUP.TEXT data file or hard coded into the program with a DATA...; CARDS; statement.

(e) Please explain the INVESTIGATED BY PW PERSONNEL comment on line 488 of page 33.

Response to UPS/USPS-T2-38:

a) Confirmed. Calculation of GCD miles for the sample frame is one of the numerous tasks performed by TRACS.DESIGN(HWY1).

b) Not confirmed. Please refer to response to UPS/USPS-T2-29 (a) (i).

c) For NASS facility codes not contained in the LATLON.LOOKUP.TEXT file, additional facility latitude/longitude records are hard-coded into the TRACS.DESIGN(HWY1) program using a *DATA... ; CARDS;* statement.

d) For facility codes that still do not match either the original LATLON.LOOKUP.TEXT file or the hard-coded additions, the three-digit zip code equivalent is matched against the list of hard-coded facility updates. USPS analysts rerun program HWY1, adding hard-coded records as necessary, until there are no facilities without a latitude and longitude match.

e) The original list of hard-coded additions was created by Price Waterhouse personnel.

UPS/USPS-T2-39. Please refer to LR-H-82, part 1, page 35, and to lines 558-560 of the source program TRACS.DESIGN(HWY1) (PQ 1 FY96).

(a) Please explain why the IF -- THEN statement sets distance equal to 26.
(b) Please explain why and how ODIS is the basis for setting distance equal to 26.

Response to UPS/USPS-T2-39:

a) Please see above response to UPS/USPS-T2-29 (b) (i).

b) At the conception of TRACS, ODIS was used to determine the average distance between local facilities.

UPS/USPS-T2-40. Please refer to LR-H-82, part 4, page 164, and to lines 280-296 of the source program TRACS.EXPAND.HWY.PQ196.CNTL (HWY1).

(a) Please confirm the SMCONTCF variable represents the cubic feet utilized by all the items in a container. If not confirmed, please explain.

(b) Please confirm that the CONTCUFT variable represents the cubic feet of a container. If not confirmed, please explain.

(c) Please confirm that dividing the SMCONTCF variable by the CONTCUFT variable provides a good estimate of the utilization of a container. If not confirmed, please explain.

(d) Please confirm that the SMCONTCF variable should never be greater than the CONTCUFT variable. If not confirmed, please explain.

(e) Please confirm that the SMCONTCF variable is greater than the CONTCUFT variable in the data set FORM3S at line 294 in 3,439 out of 8,522 observations. Please explain your response and how to correct this.

(f) Please confirm that your responses are also applicable to PQ 2 FY 96, PQ 3 FY 96, PQ 4 FY96. If not confirmed, please explain.

(g) Are your responses also applicable to the Air, Amtrak, Eagle, and Rail TRACS programs? Please explain.

Response to UPS/USPS-T2-40:

a) Confirmed for sampled containers in which the DCT records the distribution of items found within a container in terms of quantities of each item type. Not confirmed for sampled containers in which the DCT records the distribution of items found within a container in terms of percentages. SMCONTCF is only the sum of the weighted cubes of the sampled items. The weighting variable PERCONT is based on whole numbers, not decimal percentages. Thus one would expect that SMCONTCF is 100 times the estimated total cube of all items

in the container. However, the DCT may record PERCONT relatively (i.e., the sum of PERCONT across all items in a container will equal 100), or absolutely (i.e., the sum of PERCONT across all items in a container will not equal 100 unless the container is full). In the former case, SMCONTCF does not necessarily bear any relationship to the total cube of the all items in a container, and reflects only the sum of the weighted cubes, used as the denominator when normalizing them back to the size of the container.

b) Confirmed.

c) Confirmed for sampled containers in which the DCT records the distribution of items found within a container in terms which the quantities of each item type. Not confirmed for sampled containers in which the DCT records the distribution of items found within a container in terms of percentages. Please refer to my discussion of SMCONTCF in above response to UPS/USPS-T2-40.

d) Not confirmed. Please refer to discussion of SMCONTCF in above response to UPS/USPS-T2-40.

e) Confirmed. No correction is needed as discussed in UPS/USPS-T2-40.

f) Confirmed.

g) Confirmed for Amtrak and Rail. Air and Eagle do not use wheeled containers.

UPS/USPS-T2-41. Please refer to LR-H-82, part 4, page 164, and to line 275 of the source program TRACS.EXPAND.HWY.PQ196.CNTL (HWY1).

(a) Please confirm that the intention of the above referenced line of code is to set the data set FORM3S equal to the data set HIT. If not confirmed, please explain.

(b) Please confirm that the code does not set the data set FORM3S equal to the data set HIT. If not confirmed, please explain.

(c) Please confirm that the correct line of code should read DATA FORM3S; SET HIT; and will set the data set FORM3S equal to the data set HIT. If not confirmed, please explain how to correct this.

(d) Please confirm that your responses are also applicable to PQ 2 FY 96, PQ 3 FY 96, PQ 4 FY96. If not confirmed, please explain.

(e) Are your responses also applicable to the Air, Amtrak, Eagle, and Rail TRACS programs? Please explain.

Response to UPS/USPS-T2-41:

a) Not confirmed. In consideration of the numerous occurrences in HWY1 where two data sets are merged and matching records are directed into a data set called HIT, which is subsequently the source for continued processing, one might expect that in this particular section of code, data set HIT would be the basis for continued processing as well. However, in this case, data set HIT is deliberately not used. This data set HIT is the result of an unused data step, remnant from a previous version of program HWY1, and contains inconsistent data for variable TOTCUFT (see your statement in UPS/USPS-T2-43 (c). Lines 254-274 of HWY1, which culminate in the creation of data set HIT, have no affect on the program, as FORM3S is deliberately not overwritten with data set HIT.

b) Confirmed.

c) Not confirmed. No correction is necessary. Please see response above to UPS/USPS-T2-41(a).

d) Confirmed.

e) Not confirmed for Air or Eagle. Neither Air nor Eagle works with cubic feet data, so there exists no code in either the Air or Eagle programs which is similar to that which is described in this question.

UPS/USPS-T2-42. Please refer to LR-H-82, part 4, page 164, and to lines 265-267 of the source program TRACS.EXPAND.HWY.PQ196.CNTL (HWY1).

(a) Please confirm that the intention of the above referenced line of code is to calculate the TOTCUFT variable in the data set TOTAL2. If not confirmed, please explain.

(b) Please confirm that the TOTCUFT variable in the data set TOTAL2 should be equal to the total cubic feet of a sampled item. For example, for all items of CTYPE equal to F (flat tray), TOTCUFT should equal 1.49 (the cubic footage of a flat tray). If not confirmed, please explain.

(c) Please confirm that the TOTCUFT variable in the data set TOTAL2 is equal to the total cubic feet of a sampled item. For example, for all items of CTYPE equal to F (flat tray) TOTCUFT equals 1.49 (the cubic footage of a flat tray). If not confirmed, please explain.

(d) Please confirm that your responses are also applicable to PQ 2 FY 96, PQ 3 FY 96, PQ 4 FY96. If not confirmed, please explain.

(e) Are your responses also applicable to the Air, Amtrak, Eagle, and Rail TRACS programs? Please explain.

Response to UPS/USPS-T2-42:

a) Confirmed with clarification. The "calculation" of the TOTCUFT variable is the use of a PROC MEANS to sum the variable CUFT across each unique TESTID-CONTNO-CTYPE group.

b) Confirmed.

c) Confirmed.

d) Confirmed.

e) Not confirmed for Air or Eagle. Neither Air nor Eagle works with cubic feet data, so there exists no code in either the Air or Eagle programs which is similar to that which is described in this question.

UPS/USPS-T2-43. Please refer to LR-H-82, part 4, page 164, and page 164 of part 4 of library reference to lines 269-274 of the source program TRACS.EXPAND.HWY.PQ196.CNTL (HWY1).

(a) Please confirm that the intention of the above referenced lines of code is to create the HIT data set by merging the FORM3S data set and the TOTAL2 data set. If not confirmed, please explain.

(b) Please confirm that the TOTCUFT variable in the data set HIT should be equal to the total cubic feet of a sampled item. For example, all items of CTYPE equal to F (flat tray) TOTCUFT should equal 1.49 (the cubic footage of a flat tray). If not confirmed, please explain.

(c) Please confirm that the TOTCUFT variable in the data set HIT does not equal the total cubic feet of a sampled item. For example, the TOTCUFT variable only equals 1.49 in 608 of 1,873 observations with CTYPE equal to F (flat tray). Please explain your response. If confirmed, please explain how to correct the above referenced code.

(d) Please confirm that your responses are also applicable to PQ 2 FY 96, PQ 3 FY 96, PQ 4 FY96. If not confirmed, please explain.

(e) Are your responses also applicable to the Air, Amtrak, Eagle, and Rail TRACS programs? Please explain.

Response to UPS/USPS-T2-43:

a) Confirmed. Please note that data set HIT is not subsequently used.

b) Not confirmed. Due to the fact that the variable TOTCUFT existed in both data sets being merged to create data set HIT, it cannot be relied upon that the variable TOTCUFT in data set HIT will always equal the variable TOTCUFT from data set TOTAL2, which does contain the correct total cubic feet of each sampled item.

c) Confirmed. This is because the variable TOTCUFT exists in both data sets being merged. No correction is necessary, as data set HIT is not subsequently used.

d) Confirmed.

e) Not confirmed for Air or Eagle. Neither Air nor Eagle works with cubic feet data, so there exists no code in either the Air or Eagle programs which is similar to that which is described in this question.

UPS/USPS-T2-44. Please refer to LR-H-82, part 4, page 162, and to the FORM3S data set at line 144 of the source program TRACS.EXPAND.HWY.PQ196.CNTL (HWY1).

(a) Please confirm that the WT variable represents the actual weight of a particular class of mail in an item (a flat tray, for example). If not confirmed, please explain.

(b) Please confirm that TOTWT represents the total weight of an item (tare weight plus actual mail weight). If not confirmed, please explain.

(c) Please confirm that the tare weight of an item should be greater than zero. If not confirmed, please explain.

(d) Please confirm that the TOTWT variable should always be greater than the WT variable. If not confirmed, please explain.

(e) Why does the WT variable equal the TOTWT variable in 1,725 out of 8,522 observations in the FORM3S data set referenced above? How can this be corrected?

(f) Please confirm that your responses are also applicable to PQ 2 FY 96, PQ 3 FY 96, PQ 4 FY96. If not confirmed, please explain.

(g) Are your responses also applicable to the Air, Amtrak, Eagle, and Rail TRACS programs? Please explain.

Response to UPS/USPS-T2-44:

a) Confirmed.

b) Confirmed.

c) Not confirmed. Certain item types, such as 'L' and 'B', reflect loose items and have no tare weight.

d) Not confirmed. Please refer to explanation in above response to UPS/USPS-T2-44 (c).

e) Please refer to explanation in above response to UPS/USPS-T2-44 (c). No 'correction' is needed.

f) Confirmed.

g) Yes. Loose items are found on all transportation modes.

UPS/USPS-T2-45. Please refer to part 4 of Library Reference H-82; specifically refer to the TRACSSMN.Z.HIGHWAY.PQ196.SURVEY.TEXT data file and the TRACSSMN.Z.HIGHWAY.PQ196.SAMPLE.DATA data file.

(a) Please explain the extent to which TRACS tests the SURVEY and SAMPLE data to insure no logical inconsistencies exist, such as a sample where the cubic feet of mail exceeds the cubic feet of the vehicles capacity.

(b) Please confirm the vehicle cubic foot capacity for the following samples (TESTID, CAPACITY): 77046RX, 45; 77756JL, 48; 70066XC, 22; 73066IA, 45; 70706UW, 28; 77056JZ, 45; 73076UN, 45. If not confirmed, please explain.

(c) Please confirm the cubic footage of the sampled pallets ([P1HEIGHT * P1LENGTH * P1WIDTH / 1728] + P2HEIGHT * P1LENGTH * P1WIDTH / 1728]) for the following samples (TESTID, Cubic Footage of Sampled Pallets): 77046RX, 133; 77756JL, 126; 70066XC, 78; 73066IA, 70; 70706UW, 48; 77056JZ, 62; 73076UN, 47. If not confirmed, please explain.

(d) If (b) and (c) are confirmed, please explain how the cubic footage of sampled pallets on a vehicle can be greater than the cubic footage of the vehicles capacity.

(e) Please confirm that your responses are also applicable to PQ 2 FY 96, PQ 3 FY 96, and PQ 4 FY96. If not confirmed, please explain.

(f) Are your responses also applicable to other parts of TRACS? Please explain.

Response to UPS/USPS-T2-45:

a) A recent review of the data has shown that there are a small number of contracts where the NASS minimum vehicle capacity is specified in linear feet (such as 45 or 48) rather than cubic feet (2,700 or 3,000). This could lead to apparent logical inconsistencies in truck utilization before the data is normalized. The relative proportions of the mail found within the truck are not compromised.

b) Confirmed.

c) Confirmed.

d) Please see above response to interrogatory UPS/USPS-T2-45 (a).

e) Confirmed.

f) No. Only the TRACS highway modes use a NASS minimum cubic foot capacity specification.

UPS/USPS-T2-46. Please refer to USPS Library Reference H-82 (TRACS Highway Sample Design Programs and Documentation). Please provide machine readable input and output files, as shown on pages 6-8, by quarter for FY 96 for Motor Vehicle Service (MVS) containing similar information as the following Highway Contract Route TRACS files including but not limited to these files:

(a) LAXSTN.PS272D13;
(b) TRACSSMN.NASS****.FY96.TEXT.

Response to UPS/USPS-T2-46:

Not applicable. MVS is not a part of TRACS. TRACS neither uses MVS data as inputs nor outputs any results regarding the Motor Vehicle Service.

UPS/USPS-T2-47. In reference to interrogatory USPS-T2-46 above, if data variables or sets of variables, description of input, and output data file organization, and source codes, are different from those for the highway contract files,

(a) identify all such differences; and

(b) provide complete documentation and copies (machine readable where appropriate) for these differences.

Response to UPS/USPS-T2-47:

a) and b) Not applicable. Please see response to interrogatory UPS/USPS-T2-46 above.

UPS/USPS-T2-48. In reference to interrogatory USPS-T2-46 above, if MVS requested information is not available for each quarter in 1996, provide the four most recent quarters of such information available.

Response to UPS/USPS-T2-48:

a) and b) Not applicable. Please see response to interrogatory UPS/USPS-T2-46 above.

UPS/USPS-T2-49. Please provide the height of storage space for each vehicle cubic foot capacity in the TRACS highway sample. For example, provide the height of storage space for all vehicles with a 2700 cubic foot capacity.

Response to UPS/USPS-T2-49:

Highway contracts specify only the total cubic foot capacity required (for example,

2,700). The typical trailer storage space height, though, is 8 feet.

UPS/USPS-T2-50. Please refer to your response to FGFSA/USPS-T2-41.
(A) Please explain how you estimated average height of loaded mail as 65 for Intra-BMC and 54 for Inter-BMC.
(B) Please provide the same estimates for average height of loaded mail for Intra-SCF, Inter-SCF, Intra-BMC, and Inter-BMC for each postal quarter in FY96.
(C) Are two pallets containing mail ever stacked one on top of another? If so, how often does this occur?
(D) If two pallets (three feet high each) were stacked one on top of another, what would TRACS record as the pallet height?
(E) Please explain how you estimate that wheeled containers are approximately 72 tall.

Response to UPS/USPS-T2-50:

(A) The following SAS code was used to make this estimation, after merging account number and capacity onto the survey data by TESTID:

```
PROC SORT DATA=SURVEY; BY TESTID;
DATA SURVEY; SET SURVEY; BY TESTID; IF FIRST.TESTID;
 IF UNLOADED=0 THEN DELETE;
 AVG_HT=(HSACKS*SACKS+HEXPRESS*EXPRESS+HOTHER*OTHER+WHEELED*72+
        (P1HEIGHT+P2HEIGHT)/(1+(P1HEIGHT*P2HEIGHT NE 0))*PALLETS)/
        (SACKS+EXPRESS+OTHER+WHEELED+PALLETS);
     XX=UNLOADED*CAPACITY;
     IF AVG_HT GT 96 THEN DELETE;
PROC SORT;  BY ACCOUNT;
PROC MEANS; BY ACCOUNT; VAR AVG_HT; WEIGHT XX;
```

(B) Please refer to the SAS code provided in above response to UPS/USPS-T2-50 (a) to make these calculations.

(C) TRACS does not record whether or not pallets are stacked.

(D) A TRACS DCT records the dimensions of the one or two pallets that are sampled. TRACS only uses these dimensions to weight the relative proportions of mailcodes found on the two sampled pallets. TRACS does not capture the height of stacked pallets. TRACS would only record the floor space occupied by pallets regardless of how high they were stacked.

(E) It is general knowledge that wheeled containers are approximately six feet tall.

DECLARATION

I, Norma B. Nieto, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Norma B. Nieto

Dated: October 1, 1997

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Anne B. Reynolds

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260–1137
October 1, 1997