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POSTAL RATE COMMISSION
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OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF
UNITED PARCEL SERVICE
(UPS/USPS-27-35)

The United States Postal Service hereby provides responses to the following interrogatories of United Parcel Service: UPS/USPS-27-35, filed on September 17, 1997.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking


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October 1, 1997

UPS/USPS-27. Please explain whether and in what manner IOCS and other Postal Service Data Collectors will perform data collection in the Priority Mail facilities operated pursuant to the PMPC contract.

RESPONSE:

The Postal Service has not determined whether and how this will take place.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF UNITED PARCEL SERVICE

UPS/USPS-28. Please explain what data will be collected by the Postal Service or other personnel regarding the quantity, shape, item/container type, or other mail characteristics for mail handled at facilities operated pursuant to the PMPC contract.

RESPONSE:

The Postal Service has not determined whether and how this will take place.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF UNITED PARCEL SERVICE

UPS/USPS-29. Please explain what data will be collected by the Postal Service or other personnel that will be available or used for determining costs and rates for mail handled at facilities operated pursuant to the PMPC contract.

RESPONSE:

This has not yet been determined.

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF UNITED PARCEL SERVICE

UPS/USPS-30. Please indicate whether the mail processing flow for Priority Mail at the Capital Beltway Facility is typical of the mail processing flow at analogous facilities. If the mail processing flow for Priority Mail at the Capital Beltway facility is other than typical, please indicate how is atypical and what the typical mail processing flow(s) for Priority Mail processing are at similar facilities.

Response:

The Capital Beltway Facility is a HASP (see UPS/USPS-33 for a definition).

Accordingly, the mail processing flow for Priority Mail at that facility in general is typical of the mail processing flow at other HASPs. However, this is not to say that every minute detail of the processing flow at the Capital Beltway facility is mirrored at other HASPs.

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF UNITED PARCEL SERVICE

UPS/USPS-31. Please confirm that some quantity of Priority Mail is now handled in flat trays by the Postal Service. If not confirmed, please explain. If confirmed, please indicate why and by what process (e.g., manually, flat sorting machine, etc.) mail is placed into flat trays. Please also indicate whether the use of flat trays for Priority Mail is expected to increase or decline, and the reasons why their use is expected to change.

Response:

Confirmed. Some customers use flat trays to courier Priority Mail envelopes between their location and the Post Office. Accordingly, Priority Mail is handled in flat trays by the Postal Service. These trays are dumped and the Priority pieces are then sorted into sacks. However, Priority Mail is generally containerized and dispatched in pouches and there are no future plans to increase and/or decrease the usage of flat trays for Priority Mail.

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF UNITED PARCEL SERVICE

UPS/USPS-32.

- (a) Please indicate whether Priority Mail has been, or is currently processed on flat sorting machines.
- (b) Please provide or estimate the volume or proportion of Priority Mail processed on flat sorting machines in the Base Year, Test Year, or any other year in which Priority Mail has been processed on flat sorting machines.
- (c) Please identify the number and type of facilities at which Priority Mail has been processed, or is currently processed on flat sorting machines.

Response:

- a. Generally, identified Priority Mail is not processed on flat sorting machines.
- b. The information is not available.
- c. As mentioned in (a), sites generally refrain from processing Priority Mail on flat sorting machines. Accordingly, it is impossible to identify the number and type of facilities at which Priority Mail has been processed or is currently processed on flat sorting machines.

RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF UNITED PARCEL SERVICE

UPS/USPS-33. Please explain what a "HASP" facility is and how it fits into the Postal Service's mail processing and transportation network.

Response:

HASP is an acronym for Hub and Spoke Project. A HASP is designed to centralize mail transfer locations by grouping ZIP code ranges for mail bearing two- and three-day delivery commitments from many cities in the eastern US. The mail is sorted into First-Class Mail and Priority Mail containers and dispatched via surface transportation to the appropriate HASP, Area Distribution Center (ADC), or SCF. A HASP concentrates the volume of mail for a particular destination which results in more effective utilization of transportation and improved service.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF UNITED PARCEL SERVICE

UPS/USPS-34. Please refer to your response to UPS/USPS-14(b). Please indicate whether the PERMIT system collects data for all Priority Mail volume, or for a subset of Priority Mail volume. If the answer is anything other than all Priority Mail volume, please indicate what determines whether the PERMIT system will record data regarding Priority Mail.

RESPONSE:

The PERMIT System collects data for a subset of Priority Mail; Bulk Permit Imprint and Bulk Metered with Postage Affixed. What determines whether the PERMIT System will record such data is the submission of mailing statements PS Form 3605-R and PS Form 3605-P.

RESPONSES OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORIES OF UNITED PARCEL SERVICE

UPS/USPS-35. Please refer to your response to UPS/USPS-14(b). Please indicate whether the ODIS system collects data for all Priority Mail volume, or for a subset of Priority Mail volume. If the answer is anything other than all Priority Mail volume, please indicate what determines whether the ODIS system will record data regarding Priority Mail.

RESPONSE:

The ODIS system collects data for all Priority Mail volume.

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.


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October 1, 1997