

DOCKET SECTION

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

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS TALMO TO INTERROGATORIES OF
THE ADVERTISING MAIL MARKETING ASSOCIATION
(AMMA/USPS-LR-H-105-1-4)

The United States Postal Service hereby provides responses of witness Talmo to the following interrogatories of the Advertising Mail Marketing Association: AMMA/USPS-LR-H-105-1-4, filed on October 30, 1997.

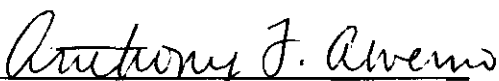
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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November 7, 1997

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TALMO
TO INTERROGATORIES OF ADVERTISING MAIL MARKETING
ASSOCIATION

AMMA/USPS-LR-H-105-1. The sample study described in LR-H-105 states that the data were collected for a six (6) week period.

- a. Please confirm that the period began Wednesday, January 23, 1997 and ended Tuesday, March 11, 1997.
- b. If you cannot confirm part a., please provide the correct dates.
- c. How and why was this particular six (6) week period chosen?
- d. Did you or anyone else test the implicit assumption made by the users of these data that the information collected and parameters estimated by the sample study are not subject to seasonal fluctuations?
- e. If the answer to part d is "yes", please provide all analyses of the test(s)?
- f. If the answer to part d is "no", what was the justification for making the assumption described in part d?

AMMA/USPS-LR-H-105-1 Response:

- a. Confirmed.
- b. N/A.
- c. Implementation of postal Classification Reform for commercial Standard (A) in the summer of 1996 resulted in changes in mail preparation. The survey period was chosen to be sufficiently beyond the introduction of the new classification reform requirements to allow mailers time to stabilize their mailing patterns, yet soon enough to complete the survey analysis in time for the rate filing.
- d. No.

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- e. N/A.
- f. Given that Classification Reform was implemented in 1996, there had not been four continuous quarters during which the new requirements were in effect in order to test the assumption. Consequently, it was assumed that the distributions would be equal across quarters.

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AMMA/USPS-LR-H-105-2. What is the data format of each of the machine
readable output files in LR-H-105?

AMMA/USPS-LR-H-105-2 Response:

See Attachment.

Formats for Output Files Listed in LR-H-105 Appendix E, by Section

I. Stratification and Sample Selection

File format for finstrata.pmt :

Position From	Position To	Field Length	Variable Description
1	7	7	PERMIT finance number
8	10	3	Strata index – First Class
11	13	3	Strata index – Std A Regular Rate
14	16	3	Strata index – Std A Nonprofit

File format for pmtstda.ms.st :

Position From	Position To	Field Length	Variable Description
1	2	2	NCTB strata index
3	3	1	Transaction type index: 1 = identical 2 = non-identical 3 = bad weight (identical or non-identical)
4	6	3	Transaction size index: see Table 2, Column 1 for description
7	7	1	Processing category index: 1 = letters 2 = flats 3 = parcels
8	10	3	Std A Regular Rate VIP index: index indicates position in vipmap96.dat
11	24	14	Revenue
25	36	12	Pieces
37	48	12	Weight

File format for offdat.ver :

Position From	Position To	Field Length	Variable Description
1	20	20	Carrier route weight
21	40	20	3/5-digit weight
41	60	20	Basic weight
61	80	20	None weight
81	100	20	BMC weight
101	120	20	SCF weight
121	140	20	DDU weight
141	160	20	Piece rate weight
161	180	20	Pound rate weight
181	200	20	Total weight
201	220	20	Carrier route pieces
221	240	20	3/5-digit pieces
241	260	20	Basic pieces
261	280	20	None pieces
281	300	20	BMC pieces
301	320	20	SCF pieces
321	340	20	DDU pieces
341	360	20	Piece rate pieces
361	380	20	Pound rate pieces
381	400	20	Total pieces

Note: The rows of this file are organized into 6 distinct blocks as follows:

First block = Identical, automation transactions by office size stratum

Second Block = Identical, nonautomation transactions by office size stratum

Third Block = Non-identical, automation transactions by office size stratum

Fourth Block = Non-identical, nonautomation transactions by office size stratum

Fifth Block = Total identical transactions by office size stratum

Sixth Block = Total non-identical transactions by office size stratum

Each block is separated by a blank row.

A row of a block represents an office size stratum.

Attachment to Response to AMMA/USPS-LR-H-105-2

File format for msdat.ver :

Position From	Position To	Field Length	Variable Description
1	20	20	Carrier route weight
21	40	20	3/5-digit weight
41	60	20	Basic weight
61	80	20	None weight
81	100	20	BMC weight
101	120	20	SCF weight
121	140	20	DDU weight
141	160	20	Piece rate weight
161	180	20	Pound rate weight
181	200	20	Total weight
201	220	20	Carrier route pieces
221	240	20	3/5-digit pieces
241	260	20	Basic pieces
261	280	20	None pieces
281	300	20	BMC pieces
301	320	20	SCF pieces
321	340	20	DDU pieces
341	360	20	Piece rate pieces
361	380	20	Pound rate pieces
381	400	20	Total pieces

Note: The rows of this file are organized into 6 distinct blocks as follows:
 First block = Identical, automation transactions by transaction size stratum
 Second Block = Identical, nonautomation transactions by transaction size stratum
 Third Block = Non-identical, automation transactions by transaction size stratum
 Fourth Block = Non-identical, nonautomation transactions by transaction size stratum
 Fifth Block = Total identical transactions by transaction size stratum
 Sixth Block = Total non-identical transactions by transaction size stratum
 Each block is separated by a blank row.
 A row of a block represents a transaction size stratum.

File format for off_std.ver :

Position From	Position To	Field Length	Variable Description
1	3	3	Office size stratum index
4	23	20	Mean of transaction volume
24	47	24	Standard deviation of transaction volume
48	67	20	Mean of adjusted revenue per transaction
68	91	24	Standard deviation of adjusted revenue per transaction
92	111	20	Mean of adjusted revenue per piece
112	135	24	Standard deviation of adjusted revenue per piece
136	155	20	Mean of unadjusted revenue per piece
156	179	24	Standard deviation of unadjusted revenue per piece
180	191	12	Number of transactions

Attachment to Response to AMMA/USPS-LR-H-105-2

File format for ms_std.ver :

Position From	Position To	Field Length	Variable Description
1	3	3	Transaction size stratum index
4	23	20	Mean of transaction volume
24	47	24	Standard deviation of transaction volume
48	67	20	Mean of adjusted revenue per transaction
68	91	24	Standard deviation of adjusted revenue per transaction
92	111	20	Mean of adjusted revenue per piece
112	135	24	Standard deviation of adjusted revenue per piece
136	155	20	Mean of unadjusted revenue per piece
156	179	24	Standard deviation of unadjusted revenue per piece
180	191	12	Number of transactions

File format for strata.dat.reg :

Position From	Position To	Field Length	Variable Description
1	3	3	Transaction size stratum index
4	19	16	Ratio of permit imprint to stamped and metered revenue
20	35	16	Ratio of letter and flat revenue to total revenue

II. Main Results

Several output file formats that follow refer to a container code or a package code field. The following two tables define the container and package codes used in those files.

Package codes

Code	Description		Code	Description
CCK	Carrier Route package		AAK	ADC Auto package
5AK	5-Digit Auto package		ANK	ADC Nonauto package
5NK	5-Digit Nonauto package		MAK	Mixed ADC Auto package
3AK	3-Digit Auto package		MNK	Mixed ADC Nonauto package
3NK	3-Digit Nonauto package			

Container Codes

Code	Description
5XPP	5-Digit Pallet
3XPP	3-Digit Pallet
BXPP	BMC Pallet
ZXPP	Mixed BMC Pallet
SXFF	SCF Pallet
CCT2	Carrier Route Sack or 2-Foot Carrier Route Tray
CCT1	1-Foot Carrier Route Tray
FCT2	5-Digit Carrier Routes Sack or 2-Foot Carrier Route Tray
FCT1	1-Foot 5-Digit Carrier Routes Tray
TCT2	2-Foot 3-Digit Carrier Routes Tray
TCT1	1-Foot 3-Digit Carrier Routes Tray
5AT2	2-Foot 5-Digit Automation Tray
5AT1	1-Foot 5-Digit Automation Tray
5NT2	5-Digit Sack or 2-Foot 5-Digit Nonautomation Tray
5NT1	1-Foot 5-Digit Nonautomation Tray
3AT2	2-Foot 3-Digit Automation Tray
3AT1	1-Foot 3-Digit Automation Tray
3NT2	3-Digit Sack or 2-Foot 3-Digit Nonautomation Tray
3NT1	1-Foot 3-Digit Nonautomation Tray
AAT2	2-Foot ADC Automation tray
AAT1	1-Foot ADC Automation tray
ANT2	ADC sack or 2-Foot ADC Nonautomation tray
ANT1	1-Foot ADC Nonautomation tray
MAT2	2-Foot Mixed ADC Automation tray
MAT1	1-Foot Mixed ADC Automation tray
MNT2	Mixed ADC sack or 2-Foot Mixed ADC Nonautomation tray
MNT1	1-Foot Mixed ADC Nonautomation tray
5UT2	2-Foot 5-Digit Upgradable tray
5UT1	1-Foot 5-Digit Upgradable tray
3UT2	2-Foot 3-Digit Upgradable tray
3UT1	1-Foot 3-Digit Upgradable tray

Attachment to Response to AMMA/USPS-LR-H-105-2

File format for the following output files:

tabd___.reg	NMNUPGR.reg
tabe___.reg	MNUPGRX.reg
trayall.reg	tabd2___.reg
tabb.reg	tabe2___.reg
tabc1___.reg	tabd3___.reg
tabc2___.reg	tabe3___.reg

Position From	Position To	Field Length	Variable Description
1	2	2	Transaction level; 1 = small, 2 = medium, 3 = large, 4 = extra large
3	4	2	Office level; 1= large, 2 = medium, 3 = small
5	9	5	Container code (see scheme for detail)
10	14	5	Style name; TRAY, SACK or PALLET
15	30	16	Carrier Route Package
31	45	15	5-Digit Auto Package
46	60	15	5-Digit Nonauto Package
61	75	15	3-Digit Auto Package
76	90	15	3-Digit Nonauto Package
91	105	15	ADC Auto Package
106	120	15	ADC Nonauto Package
121	135	15	Mixed ADC Auto Package
136	150	15	Mixed ACD Nonauto Package
151	165	15	No packaging
166	180	15	Total inventoried containers
181	195	15	Numerator of inflation factor
196	210	15	Denominator of inflation factor

Notes:

1. Any table created by the table_maker.f subroutine is vertically divided into two parts. The top part represents total inflated pieces for container-package combinations. The bottom part (delimited by a title line starting with "*****") represents total inflated packages for container-package combinations.
2. The "No packaging" field contains data for containers in which no packaging is allowed.
3. Combinations of transaction and office level determine a stratum.

Attachment to Response to AMMA/USPS-LR-H-105-2

File format for label.err :

Position From	Position To	Field Length	Variable Description
1	5	5	Observation name
6	61	56	Label error description
62	65	4	Label number

File format for label.err2 :

Position From	Position To	Field Length	Variable Description
1	5	5	Observation name
6	46	41	Label error description
47	51	5	Container code (see scheme for detail)
52	53	2	Line 2 index: 1 = BC, 2 = BC/AutomationScheme, 3 = Upgr, 4 = Non-OCR, 9 = Other

File format for package.err :

Position From	Position To	Field Length	Variable Description
1	20	20	Package error description
21	26	6	Observation name
27	37	11	Container code (see scheme for detail)
38	47	10	Package code (see scheme for detail)

File format for outly.pcs :

Position From	Position To	Field Length	Variable Description
1	6	6	Observation name
7	13	7	Container code (see scheme for detail)
14	18	5	Package code (see scheme for detail)
19	21	3	Style index: 1 = not used, 2 = tray, 3 = sack, 4 = pallet
22	29	8	Average pieces per package

III. Carrier Route Analysis

File format for the following output files as created by table_maker.f:

trayall.reg	tabe__.reg
tabd__.reg	taba06a.reg to taba09b.reg

Please refer to the file format listed for Section II, above.

File format for the following output files:

labels.err	package.err
labels.err2	outly.pcs

Please refer to the file format listed for Section II, above

IV. Destinating Entry Discount Analysis

File format for the following output files:

letpal.reg

sackpal.reg

Position From	Position To	Field Length	Variable Description
1	6	6	Observation Name
7	11	5	Container code (see scheme for detail)
12	21	10	Total pieces in Carrier Route Sacks or 2-Foot Carrier Route Trays
22	31	10	Total pieces in 1-Foot Carrier Route Trays
32	41	10	Total pieces in 5-Digit Carrier Routes Sacks or 2-Foot Carrier Route Trays
42	51	10	Total pieces in 1-Foot 5-Digit Carrier Routes Trays
52	61	10	Total pieces in 2-Foot 3-Digit Carrier Routes Trays
62	71	10	Total pieces in 1-Foot 3-Digit Carrier Routes Trays
72	81	10	Total pieces in 2-Foot 5-Digit Auto Trays
82	91	10	Total pieces in 1-Foot 5-Digit Auto Trays
92	101	10	Total pieces in 5-Digit Sacks or 2-Foot 5-Digit Nonauto Trays
102	111	10	Total pieces in 1-Foot 5-Digit Nonauto Trays
112	121	10	Total pieces in 2-Foot 3-Digit Auto Trays
122	131	10	Total pieces in 1-Foot 3-Digit Auto Trays
132	141	10	Total pieces in 3-Digit Sacks or 2-Foot 3-Digit Nonauto Trays
142	151	10	Total pieces in 1-Foot 3-Digit Nonauto Trays
152	161	10	Total pieces in 2-Foot ADC Auto Trays
162	171	10	Total pieces in 1-Foot ADC Auto Trays
172	181	10	Total pieces in ADC Sacks or 2-Foot ADC Nonauto Trays
182	191	10	Total pieces in 1-Foot ADC Nonauto Trays
192	201	10	Total pieces in 2-Foot Mixed ADC Auto Trays
202	211	10	Total pieces in 1-Foot Mixed ADC Auto Trays
212	221	10	Total pieces in Mixed ADC Sacks or 2-Foot Mixed ADC Nonauto Trays
222	231	10	Total pieces in 1-Foot Mixed ADC Nonauto Trays
232	241	10	Total pieces in 2-Foot 5-Digit Upgradable Trays
242	251	10	Total pieces in 1-Foot 5-Digit Upgradable Trays
252	261	10	Total pieces in 2-Foot 3-Digit Upgradable Trays
262	271	10	Total pieces in 1-Foot 3-Digit Upgradable Trays

Notes:

1. For letpal.reg, the data are letters in trays. For example, the data in the CCT2 field are total letters in 2-foot carrier route trays.
2. For sackpal.reg, the data are flats in sacks. For example, the data in the CCT2 field are total flats in carrier route sacks.
3. Container fields that are not allowed for a shape are always filled with zeros. For example, since the "CCT1" field always represents pieces in 1-foot carrier route trays, and since flats cannot be in trays, then this field will be all zeros in sackpal.reg.

File format for avepal.dat :

Position From	Position To	Field Length	Variable Description
1	11	11	BXPP= BMC Pallet, ZXPP = Mixed BMC Pallet, "ALL OTH PAL" = all other pallets
12	27	16	Inflated total number of letters in trays on pallets
28	42	15	Inflated total number of pallets containing trays

File format for the following output files:

trayall.reg
 tabd____.reg
 tabe____.reg

Please refer to the file format listed for Section II, above

File format for the following output files:

labels.err package.err
 labels.err2 outly.pcs

Please refer to the file format listed for Section II, above

V. Mail Entry Point Profile

File format for rmeppv2.cvs :

Column Letter	Description
A	Shape index; 1= letters, 2 = flats
B	Form index: 1 = yellow form, 2 = green form, 3 = blue form
C	Type index: 1= SCF pallet or finer, 2 = BMC pallet, 3 = Mixed BMC pallet, 4 = 3-Digit or finer sack or tray, 5 = ADC sack or tray, 6 = Mixed ADC sack or tray
D	Total BMEU pieces/weight entering at an AO whose parent SCF is not an ADC
E	Total BMEU pieces/weight destinating in service area of an AO whose parent SCF is not an ADC
F	Total BMEU pieces/weight entering at an SCF that is not an ADC
G	Total BMEU pieces/weight destinating in service area of SCF that is not an ADC
H	Total BMEU pieces/weight entering at an AO whose parent SCF is an ADC
I	Total BMEU pieces/weight destinating in service area of an AO whose parent SCF is an ADC
J	Total BMEU pieces/weight entering at an SCF that is an ADC
K	Total BMEU pieces/weight destinating in service area of SCF that is an ADC
L	Total Dropship pieces/weight entering at a BMC
M	Total Dropship pieces/weight destinating in service area of same BMC
N	Total Dropship pieces/weight entering at an ASF
O	Total Dropship pieces/weight destinating in service area of same ASF
P	Total Dropship pieces/weight entering at an SCF
Q	Total Dropship pieces/weight destinating in service area of same SCF
R	Total Dropship pieces/weight entering at an AO, station or branch
S	Total Dropship pieces/weight destinating in service area of same AO, station or branch
T	Total Dropship pieces as calculated by computer
U	Total Dropship pieces as calculated by entry clerk
V	Total Plantload pieces/weight entering at a BMC
W	Total Plantload pieces/weight destinating in service area of same BMC
X	Total Plantload pieces/weight entering at an ASF
Y	Total Plantload pieces/weight destinating in service area of same ASF
Z	Total Plantload pieces/weight entering at an SCF
AA	Total Plantload pieces/weight destinating in service area of same SCF
AB	Total Plantload pieces/weight entering at an AO, station or branch
AC	Total Plantload pieces/weight destinating in service area of same AO, station or branch
AD	Total Plantload pieces as calculated by computer
AE	Total Plantload pieces as calculated by entry clerk

Notes:

1. This file was originally created as a comma delimited file. The version provided on the diskette, however, is an Excel spreadsheet. The format above is for the spreadsheet version.
2. This table is vertically divided into two parts. The top part represents total pieces for shape-form-type combinations. The bottom part represents total weight for shape-form-type combinations.

VI. Bootstrapping

File format for the following output file:
boot_results.reg

This table provides bootstrap statistics for every 200th iteration. For each iteration that it prints, it provides 22 rows and 41 fields of data. Each data field is 20 characters wide, including 5 places to the right of a decimal point. These data are separated by a title that indicates the iteration number.

Each row of data represents statistics for a single table.
The row definitions are as follows:

Row	Description
1	Estimated sample mean for each value in Table 5
2	Estimated standard deviation for each value in Table 5
3	Estimated sample mean for each value in Table 6
4	Estimated standard deviation for each value in Table 6
5	Estimated sample mean for each value in Table 7
6	Estimated standard deviation for each value in Table 7
7	Estimated sample mean for each value in Table 8
8	Estimated standard deviation for each value in Table 8
9	Estimated sample mean for each value in Table 9
10	Estimated standard deviation for each value in Table 9
11	Estimated sample mean for each value in Table 10
12	Estimated standard deviation for each value in Table 10
13	Estimated sample mean for each value in Table 11
14	Estimated standard deviation for each value in Table 11
15	Estimated sample mean for each value in Table 12
16	Estimated standard deviation for each value in Table 12
17	Estimated sample mean for each value in Table 13
18	Estimated standard deviation for each value in Table 13
19	Estimated sample mean for each value in Table 14
20	Estimated standard deviation for each value in Table 14
21	Estimated sample mean for each value in Table 15
22	Estimated standard deviation for each value in Table 15

Attachment to Response to AMMA/USPS-LR-H-105-2

Each column of data represents statistics for a single value within a table. Because there are a different number of values for each table (i.e., Table 5 has 2 values but Table 6 has 4 values), some elements within a column are always zero. For instance, row 1 and 2 provide statistics for Table 1. Since this table has only two values, then the elements of columns 3 to 41 for these rows are always zero or blank. The column definitions are as follows:

For Rows 1-2:

Column	Description
1	Statistic for MAADC pieces
2	Statistic for AADC pieces
3 - 41	N/A

For Rows 3-4:

Column	Description
1	Statistic for 3-Digit pieces
2	Statistic for 5-Digit pieces
3	Statistic for basic pieces
4	Statistic for total pieces
5-41	N/A

For Rows 9-10:

Column	Description
1	Statistic for percentage machinable
2	Statistic for percentage nonmachinable
3-41	N/A

Attachment to Response to AMMA/USPS-LR-H-105-2

For Rows 5-6, 7-8, 11-12, 13-14, or 15-16:

Column	Description
1	Statistic for MADC pieces in MADC trays or sacks
2	Statistic for ADC pieces in MADC trays or sacks
3	Statistic for 3-Digit pieces in MADC trays or sacks
4	Statistic for 5-Digit pieces in MADC trays or sacks
5	N/A
6	Statistic for ADC pieces in ADC trays or sacks
7	Statistic for 3-Digit pieces in ADC trays or sacks
8	Statistic for 5-Digit pieces in ADC trays or sacks
9	N/A
10	N/A
11	Statistic for 3-Digit pieces in 3-Digit trays or sacks
12	Statistic for 5-Digit pieces in 3-Digit trays or sacks
13	N/A
14	N/A
15	N/A
16	Statistic for 5-Digit pieces in 5-Digit trays or sacks
17	Statistic for MADC packages in MADC trays or sacks
18	Statistic for ADC packages in MADC trays or sacks
19	Statistic for 3-Digit packages in MADC trays or sacks
20	Statistic for 5-Digit packages in MADC trays or sacks
21	N/A
22	Statistic for ADC packages in ADC trays or sacks
23	Statistic for 3-Digit packages in ADC trays or sacks
24	Statistic for 5-Digit packages in ADC trays or sacks
25	N/A
26	N/A
27	Statistic for 3-Digit packages in 3-Digit trays or sacks
28	Statistic for 5-Digit packages in 3-Digit trays or sacks
29	N/A
30	N/A
31	N/A
32	N/A
33	Statistic for total pieces
34-41	N/A

Attachment to Response to AMMA/USPS-LR-H-105-2

For Rows 17-18, 19-20, or 21-22:

Column	Description
1	Statistic for MADC pieces on MBMC pallets
2	Statistic for ADC pieces on MBMC pallets
3	Statistic for 3-Digit pieces on MBMC pallets
4	Statistic for 5-Digit pieces on MBMC pallets
5	N/A
6	Statistic for ADC pieces on BMC pallets
7	Statistic for 3-Digit pieces on BMC pallets
8	Statistic for 5-Digit pieces on BMC pallets
9	N/A
10	N/A
11	Statistic for 3-Digit pieces on SCF pallets
12	Statistic for 5-Digit pieces on SCF pallets
13	N/A
14	N/A
15	Statistic for 3-Digit pieces on 3-Digit pallets
16	Statistic for 5-Digit pieces on 3-Digit pallets
17	N/A
18	N/A
19	N/A
20	Statistic for 5-Digit pieces on 5-Digit pallets
21	Statistic for MADC packages on MBMC pallets
22	Statistic for ADC packages on MBMC pallets
23	Statistic for 3-Digit packages on MBMC pallets
24	Statistic for 5-Digit packages on MBMC pallets
25	N/A
26	Statistic for ADC packages on BMC pallets
27	Statistic for 3-Digit packages on BMC pallets
28	Statistic for 5-Digit packages on BMC pallets
29	N/A
30	N/A
31	Statistic for 3-Digit packages on SCF pallets
32	Statistic for 5-Digit packages on SCF pallets
33	N/A
34	N/A
35	Statistic for 3-Digit packages on 3-Digit pallets
36	Statistic for 5-Digit packages on 3-Digit pallets
37	N/A
38	N/A
39	N/A
40	Statistic for 5-Digit packages on 5-Digit pallets
41	Statistic for total pieces

File format for boot_results2.reg* :

This file provides bootstrap statistics for the estimates in Table 16. Statistics are reported for every 10th iteration. For each iteration, there are 2 rows of data. The first row provides statistics for pieces in trays with at least 150 pieces. The second row provides statistics for pieces in trays with less than 150 pieces.

Position From	Position To	Field Length	Variable Description
1	23	23	Label - first row/second row (tray size)
24	41	18	Estimated sample mean
42	59	18	Estimated standard deviation

* This file is the output of a program used to compute the confidence intervals presented in the response to AMMA/USPS-LR-H-105-4(b).

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS TALMO
TO INTERROGATORIES OF ADVERTISING MAIL MARKETING
ASSOCIATION**

AMMA/USPS-LR-H-105-3. USPS Witness Daniel (USPS-T-29 at 3 line 23) references USPS LR-H-105 as the source of the “entry profile” used in mail flow diagrams which in turn become parameters in several cost models.

- a. For each parameter estimated in LR-H-105 and used in USPS-T-29 Appendix I pages 5, 7 or 9 or used in the derivation of any number on these pages, please complete the following table with the exact paired references (cross walk) between the source and use of each parameter:

Parameter Name (1)	Source: LR-H-105			Use: USPS-T-29 Appendix I	
	Location (Page, Line, etc.) (2)	Value (3)	Standard Deviation (4)	Name (if different) (5)	Location (and derivation if derived) (Page, Line, etc.) (6)

- b. Please confirm that USPS-T-29 makes “proper” use of the estimates that come from LR-H-113? (By “proper” we mean the proper time period(s) and in a manner consistent with the objectives of the sample design and analysis.)
- c. If part b is not confirmed, please explain why you cannot confirm to the uses of these estimates.

AMMA/USPS-LR-H-105-3 Response:

- a. There are no results from LR-H-105 used directly or indirectly in USPS-T-29 Appendix I, pages 5, 7, or 9.
- b. N/A.
- c. N/A.

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AMMA/USPS-LR-H-105-4. The following questions refer to Table 16 (LR-H-105 page 24; hardcopy version).

- a. Please provide the data and the source(s) used to compute the "Percent of Pieces in Trays with at least 150 pieces".
- b. Please provide the 95% confidence interval for the "Percent of Pieces in Trays with at least 150 pieces".
- c. How many total letter trays were observed?
- d. Please confirm that the "Percent of Pieces in Trays with at least 150 pieces" on page 24 is equal to 86.0% (at one significant decimal percentage point) and that this is the source (of 86.03% at two significant decimal percentage points) referred to by Witness Thress USPS-T-7 (at 225 line 24).
- e. If you cannot confirm part d, please show the source of the 86.03% to which Witness Thress referred in the "Standard Mail Characteristics Study".

AMMA/USPS-LR-H-105-4 Response:

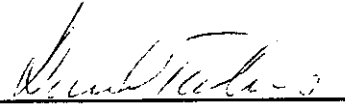
- a. The source data for Table 16 are included on the diskettes provided in LR-H-105. The programs that process these data are documented in Appendices E and F. See the description of the *roll_master.f* FORTRAN program as documented in Section III of Appendix E for specific information.
- b. The percent of line-of-travel carrier route letters in carrier route and 5-Digit carrier routes trays with at least 150 pieces is 86.0 percent as reported in Table 16. The 95 percent confidence interval for this estimate is the range from 77.5 percent to 94.5 percent.

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- c. There were 16,711 carrier route and 5-Digit carrier routes trays inventoried in the survey that contained only line-of-travel pieces. Of these, 336 were further examined to determine piece and package information.
- d. Confirmed.
- e. N/A

DECLARATION

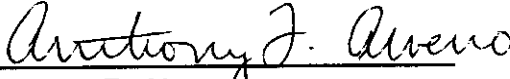
I, Daniel Talmo, declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information, and belief.



Daniel Talmo Nov. 7, 1997
Date

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.


Anthony F. Alverno

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
November 7, 1997