

DOCKET SECTION

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

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POSTAL RATE
OFFICE OF THE
GENERAL COUNSEL

Docket No. R97-1

POSTAL RATE AND FEE CHANGES, 1997

UNITED STATES POSTAL SERVICE
INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO
THE ALLIANCE OF NONPROFIT MAILERS WITNESS HALDI
(USPS/ANM-T1-30-34)

Pursuant to rules 25 and 26 of the Rules of Practice and Procedure and rule 2 of the Special Rules of Practice, the United States Postal Service directs the following interrogatories and requests for production of documents to the Alliance of Nonprofit Mailers witness Haldi: USPS/ANM-T1-30-34.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Eric P. Koetting

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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Washington, D.C. 20260-1137
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January 27, 1998



Eric P. Koetting

POSTAL SERVICE INTERROGATORIES FOR ANM WITNESS HALDI

USPS/ANM-T1-30. Please refer to ANM-T-1, page 23. You claim that “the higher ratio of direct tallies [for mail that is handled manually] will cause an increase in the share of “not handling” tallies and costs assigned to manually sorted mail.”

- (a) Does your statement assume that the “not handling” costs are related to mail processing operations other than manual operations? Please explain fully.
- (b) Does your statement assume that “not handling” costs are distributed using an aggregate “mail processing direct labor” distribution, as in the “old” Postal Service methodology? Please explain fully.

USPS/ANM-T1-31. Please refer to your testimony at page 24. You claim that “the sharp increase in mail processing cost, *relative to direct carrier costs*, is also fully consistent with the hypothesis that the Postal Service has excess mail processing labor” (emphasis in original).

- (a) Please confirm that “direct carrier costs” refers to city carrier in-office (cost segment 6) costs. If you do not confirm, please indicate the correct cost segment(s) and/or component(s).
- (b) Did you consider any other hypotheses that might explain the increase in mail processing costs relative to city carrier in-office costs? If so, please list all hypotheses you considered and all evidence that might support or refute each hypothesis.
- (c) Please refer to USPS-T-4 at pages 7-8. Could the increase in mail processing costs relative to city carrier in-office costs be consistent with the shift of delivery point sequencing (DPS) workload from city carriers to Delivery Bar Code Sorter (DBCS)—i.e., mail processing—operations? Please explain.

USPS/ANM-T1-32. Please refer to your testimony at page 31, and to USPS-LR-H-49, page 131.

- (a) For the seven tallies with anomalous weights, is it possible that the data collector recorded the subclass correctly but the weight incorrectly? If your answer is negative, please explain.
- (b) Assuming the error is only the recorded weight, is it necessary to disregard the tallies in computing the cost of Nonprofit Standard Mail (A)? Please explain.

USPS/ANM-T1-33. Please refer to ANM-T-1, page 32. Consider a letter-shape piece (per DMM C050) that weighs 3 lb.

- (a) Please confirm that the maximum volume of the mailpiece is approximately 17.61 cubic inches (6.125”x11.5”x0.25”). If you do not confirm, please provide the number you believe to be correct, and explain your answer.
- (b) Please confirm that the minimum density of such a piece is approximately 0.17 lb/cu. in. If you do not confirm, please provide the number you believe to be correct, and explain your answer.
- (c) Please explain what sort of Nonprofit Standard Mail (A) letters would be expected to have a density equal to or in excess of the density from part (b).

USPS/ANM-T1-34. Please refer to ANM-T-1, page 32.

- (a) Please confirm that, of the 2333 Standard Mail (A) Nonprofit tallies with recorded weight, 1485 tallies (63.65% of the total) have a recorded weight less than one ounce.
- (b) Please confirm that, of the 2333 Standard Mail (A) Nonprofit tallies with recorded weight, 428 (18.35% of the total) have a recorded weight between one and two ounces.
- (c) Is it possible that the weight distribution of the Standard Mail (A) Nonprofit tallies is consistent with an average weight per piece of 1.1 oz.? If your answer is negative, please provide a detailed proof of the impossibility.