ORIGINAL

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

MAILING ONLINE SERVICE

Docket No. MC98–1

RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS PLUNKETT TO INTERROGATORY OF
THE OFFICE OF THE CONSUMER ADVOCATE
REDIRECTED FROM WITNESS GARVEY
(OCA/USPS–T1–46)

The United States Postal Service hereby provides the response of witness Plunkett to the following interrogatory of the Office of the Consumer Advocate: OCA/USPS–T1–46, filed on October 13, 1998, and redirected from witness Garvey.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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October 23, 1998

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OCA/USPS-T1-46. Please refer to page 2 of witness Plunkett's response to MASA/USPS-T5-11. Witness Plunkett states "that printers will, on average process 103,145 pieces per day . . . ." See also PRC Op. MC98-1, October 7, 1998, at 28: "The Postal Service argues that when Mailing Online is fully deployed in its third year of operation, there should be more than 100,000 pieces of Mailing Online submitted to each print site per day."

a. Please confirm that there is variation around the average of 103,145 pieces per print site per day--that is, on some days some print sites will receive fewer than 103,145 pieces and some will receive more. If you do not confirm, please explain.

b. Please provide an estimate of the standard deviation of the estimate 103,145 pieces per print site per day. If you cannot provide the requested estimate, please provide an estimate of the maximum and minimum pieces per print site per day for 2001.

c. Please confirm that, prior to presorting, the 103,145 pieces received at a given print site must be spread over more than 2000 possible batch types. If you do not confirm, please explain.

d. Please confirm that, if all possible batch types are equally likely to occur, the average size of a batch available for presorting would be approximately 50 pieces in 2001. If you do not confirm, please provide the correct average batch size and show its derivation.

e. Please confirm that even for 2003, if all possible batch types are equally likely to occur, the average size of a batch available for presorting would be less than 100 pieces. If you do not confirm, please provide the correct average batch size and show its derivation.

f. For each year 1999-2003, please provide an estimate of the distribution of presort batch sizes by subclass.

g. For each year 1999-2003, please provide an estimate of the volume of Mailing Online pieces that will qualify for each possible presort level. In other words, provide a realistic estimate of the depth of sort actually achievable and explain the basis for the estimate.

OCA/USPS-T1-46 Response.

a. Confirmed that 103,145 is the expected mean number of pieces per print site per day based on the volume projections presented by witness Rothschild. As with any mean, the presumption is that some observed values will be greater than the mean, while some will be less than the mean.

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b. As mentioned above, the number is an estimate derived from witness Rothschild's projections of total national volume. Without knowing the locations of print sites and concentration of customers around such sites, calculations of the sort proposed in this question are impossible. While it may be theoretically possible to produce estimates of this kind for an average print site, meaning presumably one that produces 1/25 of mailing online volume, such an estimate is unlikely to provide meaningful insight. I also cannot develop an estimate of the maximum and minimum number of pieces per print site with the available data.

c. Not confirmed. The number of possible batch types will vary from day to day. While 2,000 may represent a theoretical upper limit, it is highly improbable that on any particular day such a vast array of documents would be sent to any one print site.

d. Confirmed, though record evidence contradicts the supposition that all batch types are equally likely to occur. Witness Rothschild's volume projections provide numerical estimates of the relative frequency of different types of documents. Some batch types are simply more likely to be chosen than others. Moreover, if document length is a parameter used to define potential batch types, some are highly unlikely to be chosen at all.

e. See my response to part d.

f-g. The data necessary to produce these estimates do not exist.

DECLARATION

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

MICHAEL K. PLUNKETT

Dated: OCTOBER 23, 1998

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.

David H. Rubin

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