

**ORIGINAL**

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

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Nov 9 4 20 PM '98

MAILING ONLINE SERVICE

Docket No. MC98-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS GARVEY TO INTERROGATORIES OF  
THE OFFICE OF THE CONSUMER ADVOCATE  
(OCA/USPS-T1-47-52)

The United States Postal Service hereby provides the responses of witness Garvey to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T1-47-52, filed on October 28, 1998.


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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November 9, 1998

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OCA/USPS-T1-47. Please refer to your response to OCA/USPS-T1-43.

- a. Please provide a firm date for implementation of the "new version" of the MOL system software referred to in your response to part (a) of that interrogatory.
- b. Please provide a firm date when the "association of presort qualification with job type characteristics can be accomplished" through electronic means.
- c. Please provide a firm date when the tabulations requested in parts (b)-(d) of that interrogatory can be generated.
- d. Please provide the tabulations requested in parts (b)-(d) of that interrogatory as soon as they can be produced.
- e. Is it your understanding that the tabulations requested in part (d) of this interrogatory differ from "data in keeping with the Commission's Opinion regarding a market test for Mailing Online"? If so, please describe all differences.

RESPONSE:

- a. The new version of the MOL software was implemented for customer use when the PostOffice Online web site was made available for public access at approximately 3:15 PM Pacific Standard Time on October 30, 1998.
- b. No firm date has been determined.
- c-d. The tabulations requested in parts (b)-(d) assume a level of data gathering, automated or otherwise, presently not available in the MOL system. Automated reporting sufficient to permit tabulation at this level is unlikely to be available until the next major release of MOL software. See *also*, my response to part (e).
- e. Yes. The Commission has specified that the market test data collection plan encompass mailpiece characteristics data (which include job types and page counts) and hard copy mailing statements. No data beyond these are available regarding presort discount qualification, although

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inferences can be made from the characteristics data. The first week of the market test has just been completed, and the first weekly report is being prepared. The Postal Service expects to provide that report in approximately two weeks, and anticipates that the lag time between the end of a week and the provision of its report can be reduced to a week as procedures become defined and implemented.

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OCA/USPS-T1-48. Please refer to your response to OCA/USPS-T1-44.

- a. In part a. of your response you state, "No system modification has been performed which would allow the storing and forwarding of sortation software reports." Please reconcile this statement with your testimony at page 10, lines 16-18 (emphasis added): "Each batch address *file* is presorted to the maximum depth of sort *with a prepared manifest and mailing statement*, for transmission along with the print files."
- b. Please provide copies of correspondence from the MOL system developer related to the ability or inability of the MOL sortation software to retain an electronic version of the "prepared manifest and mailing statement" that is *transmitted electronically* to print sites. If no such correspondence exists, please explain the basis of your interrogatory response and provide documentary verification thereof.
- c. In part c. of your response you state, "The existing MOL system configuration and settings prevent the Postal Service from generating and storing mail.dat files." Please provide copies of correspondence from the MOL system developer related to the ability or inability of the existing MOL system to generate or store mail.dat files. If no such correspondence exists, please explain the basis of your statement and provide documentary verification thereof.
- d. In your response to part e. you state, "Currently, mailing statements generated by Presort Jobfile do not contain any identification which would allow them to be associated either with a particular batch number or the job type/page count reports generated by the system. We intend to investigate such an option in the near future." Please provide copies of correspondence from the MOL system developer related to this "option." If no such correspondence exists, please explain the basis for your response and provide documentary verification thereof.

RESPONSE:

- a. The mailing statement is indeed transmitted by the system along with the print files as my testimony indicates; however no provision was made for the statement to be *stored and/or forwarded* anywhere else. After transmission the file is deleted and no longer exists on the system.
- b. No such correspondence or other documentation exists. My interrogatory response was based on a telephone call to the developer wherein I asked

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if the *system* could store and forward the mailing statement. What the system can do now is quite different from what is possible or under development.

- c. Again, no such correspondence or other documentation exists. The Mail.dat opportunity was discovered during phone conversations with Postalsoft company representatives and was subsequently communicated to the MOL system developer by phone.
- d. Again, no such correspondence or other documentation exists. The request for investigation of an option to associate mailing statements with batch numbers was communicated to the MOL system developer by telephone.

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OCA/USPS-T1-49. Please refer to your response to OCA/USPS-T1-45.

- a. In part b. of your response you state, “[O]nly mail-merge jobs are currently combined into co-mingled batches; all others are handled as separate batches. Current (and future) system development is focused on improved functionality including the capability to combine all like documents into co-mingled batches.” Please provide copies of correspondence from the system developer relating to the ability or inability of the MOL system software to “combine all like documents into co-mingled batches.” If no such correspondence exists, please explain the basis for your response and provide documentary verification thereof.
- b. In part f. of your response you state, “[T]he possible page-count/job-type batches equals  $62 \times 48 = 3000$  [sic].” In his response to interrogatory OCA/USPS-T1-46(d), redirected from you, witness Plunkett states, “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.”
  - i. Do agree with witness Plunkett’s statement? If so, what is the basis for your agreement?
  - ii. Please provide a table, containing  $62 \times 48$  cells, that displays the relative likelihood of each possible page-count/job-type batch and is consistent with the assumption that, on average, MOL pieces will be presorted to a depth justifying grant of the Automation Basic discounts.
  - iii. Please provide tables that allocate year-one MOL volume across subclass/page-count/job-type batches. Please show that this allocation is consistent with the assumption that, on average, MOL pieces will be presorted to a depth justifying grant of the Automation Basic discounts.

RESPONSE:

- a. To my knowledge, no such correspondence or other documentation exists on this topic. As stated in my response to part (b), the current system is an enhanced version of the original proof-of-concept software. The specification for that development stated:  
  
“Merge and presort. This capability will allow the NetPost system to automate network logistics, achieving optimum utilization of printing

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resources, and maximizing postal automation efficiency.”

As noted in my response to part (b), the developer understands that current (and future) system development will be focused on this and other improved functionality.

b.

i. I agree that we are likely to learn that certain batch types are more prevalent than others. This learning is the purpose of the experiment.

ii. I have no basis for predicting or even assuming the relative numerical likelihoods of possible batches and therefore am unable to produce such a table.

iii. I have no basis for accurately allocating MOL volumes across possible batches and therefore am unable to produce such tables.

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OCA/USPS-T1-50. Please refer to page 3, note 3, of your testimony. You state, "[A] universal Portable Document Format (PDF) input capability will be included to allow document creation using many unsupported applications."

- a. Please confirm that such an "input capability" does not currently exist. If you do not confirm, please reconcile your response with witness Stirewalt's response to interrogatory OCA/USPS-T3-68.
- b. Please provide a firm date when such a capability will exist.

RESPONSE:

- a. Confirmed. A more complete extract of footnote 3 from my testimony is provided here to clarify that PDF input capability is a part of future development.

"...Future development will include additional applications identified by user demand studies. In addition, a universal Portable Document Format (PDF) input capability will be included to allow document creation using many unsupported applications." USPS-T-1 at 3

- b. See my responses to OCA/USPS-T3-78(a) and OCA/USPS-T1-47(b).



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OCA/USPS-T1-51. Please provide an updated version of USPS-LR-6/MC98-1.

RESPONSE:

This material will soon be provided as a library reference.

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OCA/USPS-T1-52. At page 20 of its Initial Brief, the Postal Service stated that "the Postal Service expects that exemptions from volume minimums will be unnecessary if Mailing Online matures. The DMCS language exempting Mailing Online volume from the minimums simply permits the market test (and perhaps the experiment) to mature under conditions likely emulative of its final form."

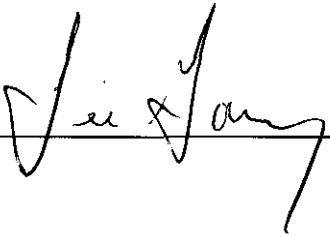
- a. Do you agree with this statement? Please state the basis for your agreement or disagreement.
- b. Would you agree that the characteristics of MOL jobs submitted near the end of the experiment would be more similar to jobs submitted under a permanent service than jobs submitted during the market test or toward the beginning of the experiment? Please explain the basis of your agreement or disagreement.

RESPONSE:

- a. Yes. Given that a goal of Mailing Online is to achieve the proper balance of providing automation discount opportunities to small volume mailers while still maximizing the operational efficiencies of print vendors and postal processing plants, both for the sake of lowering overall mailing costs, I do agree. The experiment should shed further light on the realization of this expectation.
- b. I can agree that jobs submitted in a more mature environment should be more similar to permanent jobs than those from early in the market test. Common sense suggests that only with some time for experimentation with a new concept can users be expected to understand fully how Mailing Online can best fit their needs. It follows that individual users' respective and collective experiences would mature over time to provide a clearer picture of demand and common job characteristics.

**DECLARATION**

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



A handwritten signature in black ink, appearing to read "Lee Garvey", is written over a horizontal line.

Dated: 11/9/98

**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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November 9, 1998