

ORIGINAL

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

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U.S. POSTAL SERVICE  
OFFICE OF THE SECRETARY

MAILING ONLINE SERVICE

Docket No. MC98-1

RESPONSE OF UNITED STATES POSTAL SERVICE  
WITNESS PLUNKETT TO INTERROGATORIES OF  
THE OFFICE OF THE CONSUMER ADVOCATE  
(OCA/USPS-T5-47-50)

The United States Postal Service hereby provides the responses of witness Plunkett to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T5-47-50, filed on November 10, 1998.

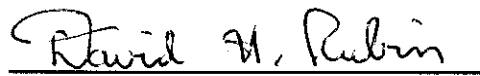
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

  
David H. Rubin

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November 23, 1998



**RESPONSE OF POSTAL SERVICE WITNESS PLUNKETT TO  
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-T5-47. Please refer to your response to NOI No. 1, Issue 1, at page 6, where it states:

Consequently, the Postal Service has chosen relatively modest discounts which assume that a small level of batching and sortation depth will be achieved. In fact, we expect that in most instances, the mail may be presorted more finely and dropshipped more deeply into the system than is necessary to qualify for the proposed discounts.

- a. Please provide the actual level of batching and actual depth of sort for Mailing Online volumes during the operations test.
- b. Please provide the actual level of batching and actual depth of sort for Mailing Online volumes to date during the market test.

**OCA/USPS-T5-47 Response:**

- a. The Postal Service is in the process of summarizing the requested information, and will file reports as soon as possible.
- b. Available data on the depth of sort will be filed with the regular reports that the Postal Service is required to file in conformity with the data collection requirements set forth in the Commission's market test Decision (Opinion at 44-45). I further understand that the quality and quantity of data reported will improve with the incorporation of the Mail.dat utility into Mailing Online, which will moreover allow retrospective analysis of all market test mailings. (See also witness Garvey's responses to OCA/USPS-T1-71&72.)

**RESPONSE OF POSTAL SERVICE WITNESS PLUNKETT TO  
INTERROGATORIES OF THE OFFICE OF THE CONSUMER ADVOCATE**

OCA/USPS-T5-48. Please refer to your response to NOI No. 1, Issue 1, at page 6, the relevant portion of which is quoted in OCA/USPS-T5-47. Please confirm that the data necessary to calculate the actual depth of sort

a. for First-Class mail volume is the level of presort (e.g., none, basic, 3-digit, etc.) by job type, by page count, by print site, respectively. If you do not confirm, please explain, and identify all the types of data necessary to calculate the actual depth of sort.

b. for Standard A mail volume, for pieces weighing 3.2985 ounces or less, is the level of presort by job type, by page count, by print site for regular and enhanced carrier route. If you do not confirm, please explain, and identify all the types of data necessary to calculate the actual depth of sort.

c. for Standard A mail volume, for pieces weighing more than 3.2985 ounces, is the level of presort by job type, by page count, by print site for regular pieces and enhanced carrier route pieces. If you do not confirm, please explain, and identify all the types of data necessary to calculate the actual depth of sort.

**OCA/USPS-T5-48 Response:**

a-c. Not confirmed. For all mailings that either meet existing minimum volume thresholds, or meet existing thresholds as a result of being commingled with other documents, all that is required to determine depth of sort is the daily report of mail characteristics and the corresponding mailing statements. In the event that a particular mailing does not become part of a sufficiently large batch to have been presorted, such pieces are treated by Mailing Online software as single piece mailings, irrespective of the level of sortation they receive. With the eventual advent of the Mail.dat utility, depth of sort information for non-qualifying mailings will also become available. (See also witness Garvey's responses to OCA/USPS-T1-71&72.)

**RESPONSE OF POSTAL SERVICE WITNESS PLUNKETT TO  
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OCA/USPS-T5-49. In his responses to OCA/USPS-T1-47c.-d. and OCA/USPS-T3-78a., witness Garvey seems to indicate that the information needed to calculate an actual average qualifying discount for MOL will not be available until "mid-1999." Is this your understanding? If not, when will depth of sort data by batch type (i.e., volumes by batch type by presort level) be available?

**OCA/USPS-T5-49 Response:**

Witness Garvey in fact indicated that the next major release of Mailing Online software will be available in mid-1999. My understanding is that this version will allow the collection of depth of sort data. This does not, however, mean that sufficient data will exist to draw conclusions about "average" qualifying discounts at that time. Given the current procedural schedule of the Mailing Online case, the experiment may have barely begun in mid-1999. If so, it would certainly be premature at that time to expect to draw informed inferences regarding the depth of sort Mailing Online volume is likely to attain.

**RESPONSE OF POSTAL SERVICE WITNESS PLUNKETT TO  
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OCA/USPS-T5-50. Please refer to your response to interrogatory OCA/USPS-T5-37 and to witness Garvey's response to interrogatory MASA/USPS-T1-20b. In your response you suggest that average MOL charges for pre-mailing fees are likely to be lower than such charges under the sole existing printer contract because the current printer is in a "high cost area." Witness Garvey indicates that the next three contracts will be "in the Chicago, Los Angeles and New York areas."

- a. Do you believe that Chicago, Los Angeles, and New York are lower cost areas than the Boston area? If so what is the basis for your belief?
- b. Please identify all potential locations for print sites that you would consider lower cost areas than the Boston area. Please explain why these locations should be expected to have lower printing costs.

**OCA/USPS-T5-50 Response:**

a-b. I have not conducted any analysis of the relative costs of doing business in these or other metropolitan areas, and therefore have no basis for an informed opinion on these questions. I do note that the CPI-U for Boston in September 1998 is 172.1, substantially higher than the average for U.S. cities.

DECLARATION

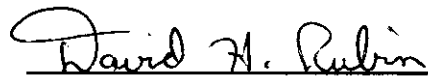
I, Michael K. Plunkett, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Michael K. Plunkett

Dated: 11/23/98

## 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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David H. Rubin

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