

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

POSTAL RATE AND FEE CHANGES
PURSUANT TO PUBLIC LAW 108-18

Docket No. R2005-1

RESPONSE OF POSTAL SERVICE WITNESS KELLEY
TO INTERROGATORIES OF VALPAK (VP/USPS-T28-41-42), REDIRECTED FROM
WITNESS TAUFIQUE
(June 10, 2005)

The United States Postal Service hereby provides the responses of witness Kelley to the following interrogatory of ValPak, filed on May 27, 2005: VP/USPS-T28-41-42, redirected from witness Taufique.

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

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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June 10, 2005

**RESPONSE OF POSTAL SERVICE WITNESS KELLEY TO
INTERROGATORIES OF VALPAK, REDIRECTED FROM WITNESS
TAUFIQUE**

VP/USPS-T28-41.

This interrogatory concerns the processing of Basic letters in the ECR subclass, which generally would not be prebarcoded by the mailer.

- a. In Base Year 2004, what percentage of all ECR Basic letters was delivered by city carriers, and what percentage was delivered by rural carriers?
- b. Of the total volume of ECR Basic letters delivered by city carriers, what percentage was cased manually, and what percentage was delivery point sequenced? If you do not know, please provide your best estimate.
- c. If any ECR Basic letters were delivery point sequenced, please provide a cost comparison of manual casing versus delivery point sequencing (including delivery) in Base Year 2004.

RESPONSE:

- a. Assuming that RPW ECR Basic letters are the denominator, the carrier cost systems estimate that 52.6 and 36.3 percent are delivered on city and rural routes respectively.
- b. Assuming that all nonDPS ECR Basic letters are cased, the city carrier cost system estimates that 52.0 percent of ECR Basic letters delivered on city letter routes were cased manually and 48.0 percent of ECR Basic letters were DPSed.
- c. While no detailed analysis of the cost savings from delivery point sequencing of ECR Basic letters has been done by the Postal Service, one can generally conclude that delivery point sequencing should save in-office costing time.

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VP/USPS-T28-42.

This interrogatory concerns the processing of Saturation letters in the ECR subclass, which mailers are required to prebarcode and sequence by line of travel.

- a. In Base Year 2004, what percentage of ECR Saturation letters was cased manually by carriers?
- b. What percentage of ECR Saturation letters did carriers take directly to the route as sequenced mail in a separate bundle?
- c. What percentage of ECR Saturation letters was delivery point sequenced? If you do not know, please provide your best estimate. If any ECR Saturation letters are delivery point sequenced, please provide a cost comparison of each different method of handling (including delivery).
- d. Please compare your percentages to those provided by witness McCrery (USPST-29) at page 10, lines 11 through 23.

RESPONSE:

- a. Please refer to the response to VP/USPS-T-16- 22a.
- b. Please refer to the response to VP/USPS-T-16- 22a.
- c. For the estimated percentage, please refer to the response to VP/USPS-T-16-22a. While no detailed analysis of the cost savings from delivery point sequencing of ECR Saturation letters has been done by the Postal Service, one can generally conclude that delivery point sequencing should save in-office costing time.
- d. I am unsure as to what figures to compare, as witness McCrery in the pages referenced in the question does not specifically discuss the DPS percentage of ECR Saturation letters.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

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